

AMENDED IN ASSEMBLY JULY 23, 2009

CALIFORNIA LEGISLATURE—2009—10 FOURTH EXTRAORDINARY SESSION

SENATE BILL

No. 12

Introduced by Senator Ducheny

July 6, 2009

~~An act relating to the Budget Act of 2009.~~ *An act to amend Section 19616.51 of, and to add Section 19616.52 to, the Business and Professions Code, to add Section 14044 to the Corporations Code, to add and repeal Article 20.7 (commencing with Section 69999.10) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code, to amend Sections 8610.5, 11545, 12715, 13302, and 22877 of, to add Sections 11019.10 and 12472.5 to, and to add and repeal Section 22864.1 of, the Government Code, to amend Sections 1566.2, 13235, 17031.8, 17036, 18114, 18502, and 51504 of the Health and Safety Code, to add Article 7 (commencing with Section 11885) to Chapter 4 of Part 3 of Division 2 of, and to add and repeal Section 12975.9 of, the Insurance Code, to amend Sections 62.5 and 4352 of, and to add Section 67 to, the Labor Code, to amend Section 1012.3 of, and to add Article 8.2 (commencing with Section 999.80) to Chapter 6 of Division 4 of, the Military and Veterans Code, to amend Section 679.02 of the Penal Code, to add Section 42102.5 to the Public Resources Code, to amend Sections 7204.3 and 7273 of the Revenue and Taxation Code, and to add Sections 10214.6 and 14022 to the Unemployment Insurance Code, relating to state government, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

SB 12, as amended, Ducheny. ~~Budget Act of 2009.~~ *State government.*

(1) Existing law, operative July 1, 2009, provides that, notwithstanding any other provision of law and in lieu of any license fee payable to the state prescribed for or referred to in specified provisions of the Horse Racing Law, any association or fair that conducts a racing meeting shall pay a license fee to the state to fund the California Horse Racing Board and the equine drug testing program, as provided.

This bill would instead require any association or fair to pay its proportional amount, as determined by the formula devised by the board in consultation with the industry, as a license fee to the state, to be deposited into the Horse Racing Fund, which the bill would establish, to fund the board and the equine drug testing program, as provided.

(2) Existing law, operative until June 30, 2009, provides that if the total amount paid to the state as license fees by racing associations and fairs is less than \$40,000,000 in any calendar year, all associations and fairs that conducted live racing during the year of the shortfall shall remit to the state, on a pro rata basis according to the amount paid as license fees by each association or fair, the amount necessary to bring the total amount paid to the state as license fees to \$40,000,000.

This bill would provide that in lieu of all amounts payable prior to July 1, 2009, as shortfall amounts, the sum of \$5,500,000 shall be paid by racing associations and fairs from the amount available for commissions, purses, and breeder awards, as determined by the board, into the State Treasury to the credit of the Fair and Exposition Fund over a period of 6 years, as provided. The bill would require the proportionate share to be paid by each racing association and fair and the method of payment to be determined by a formula approved by the board in consultation with the industry. By imposing new requirements on licensees under the Horse Racing Law, the violation of which would be a crime under other provisions of existing law, this bill would create a new crime and thereby impose a state-mandated local program. Because this bill would require the above funds to be deposited into a continuously appropriated fund, the Fair and Exposition Fund, the bill would make an appropriation.

(3) The California Small Business Financial Development Corporation Law authorizes the formation of small business financial development corporations to grant loans or loan guarantees for the purpose of stimulating small business development. The California Small Business Expansion Fund, which is created under that law, provides funds to be used to pay for defaulted loan guarantees and

administrative costs of these corporations, among other investments. Existing law authorizes moneys in that fund to be paid out to a lending institution or financial company that will act as trustee of the funds, as specified.

This bill would make state money, as defined, in the California Small Business Expansion Fund and the trust fund unavailable for new loans, loan guarantees, or other investments and would require state money not needed to guarantee existing loans, to administer existing loans, or for other existing investments, as determined by the Director of Finance, to revert to the General Fund.

(4) Existing law establishes various student financial aid programs under the administration of the Student Aid Commission, and establishes eligibility requirements for the receipt of awards under those programs for participating students attending qualifying institutions. Existing law establishes the Military Department, which includes the California National Guard, the State Military Reserve, and the Naval Militia, to perform various duties regarding the state militia.

This bill would establish the California National Guard Education Assistance Award Program on behalf of qualifying members of the California National Guard, the State Military Reserve, and the Naval Militia under the administration of the commission. The bill would require the Student Aid Commission, in consultation with the Military Department, to adopt emergency rules and regulations for the purpose of implementing the program. The bill would require the Student Aid Commission to report annually to the Legislature regarding program participation. The bill would require the Legislative Analyst, on or before January 1, 2016, to prepare and submit to the Legislature a report on the program. The bill would provide that the program would become operative only if funds are appropriated for the purposes of the program. The bill would also provide that implementation of the program would be contingent upon the receipt of federal funds. The program would become inoperative on July 1, 2019, and would be repealed on January 1, 2020.

(5) The California Emergency Services Act provides for the assessment of certain state agency costs on utilities operating certain nuclear powerplants, and the deposit of those moneys into, and the appropriation and allocation of moneys from, the Nuclear Planning Assessment Special Account. The amounts available for disbursement are adjusted and compounded each fiscal year by the percentage increase in the California Consumer Price Index of the previous

calendar year. These provisions become inoperative on July 1, 2019, and are repealed on January 1, 2020.

This bill would instead make these adjustments based on the percentage increase in the California Consumer Price Index of the previous fiscal year.

(6) Existing law authorizes the creation of state agencies, departments, and other entities within state government.

This bill would prohibit, except as provided, the provision of automatic increases to the University of California, California State University, the State Courts, or to state agency operations.

(7) Existing law requires the State Chief Information Officer to produce an annual information technology strategic plan.

This bill would additionally require the State Chief Information Officer to produce an annual information technology report with specified information to be provided to the Joint Legislative Budget Committee.

(8) Existing law requires the Controller to install and operate a uniform state payroll system for all state agencies, except the California Exposition and State Fair and the University of California, in conformance with a prescribed accounting system. Existing law prohibits pay dates under that accounting system from being more than 10 calendar days following the close of the payroll period for monthly salaried employees and more than 15 calendar days following the close of the payroll period for semimonthly and biweekly payroll systems. Existing law provides that for the purposes of financial reporting, a payable exists when services have been delivered and the state is required to pay for those services, and an encumbrance exists when a valid obligation against an appropriation has been created.

This bill would require, on and after January 1, 2010, that payments to employees made through the Uniform State Payroll System for a pay period ending on June 30 of each year shall be on or after July 1, provided that employees shall, in any event, be paid promptly. The bill would require that payments to employees made in July through the Uniform State Payroll System for services rendered prior to June 30 of each year be considered payable in the fiscal year in which the warrant is issued. The bill would except from this provision payments made in July for purposes of calculating maintenance of effort expenditures under Section 8 of Article XVI of the California Constitution and other calculations of funds used by a program in the

fiscal year, and would permit them to be counted towards the prior fiscal year.

(9) The Public Employees' Medical and Hospital Care Act requires that premiums charged for enrollment in a health benefit program reasonably reflect the cost of the benefits, provided that this does not limit the Board of Administration of the Public Employees' Retirement System from adjusting premiums charged under any health benefit plan or contract to reflect regional variations in providing services, which adjustments are at the sole discretion of the board.

This bill would authorize the board to use reserves generated by one or more self-funded health benefit plans to reduce the premiums charged for enrollment in one or more separate self-funded health benefit plans offered by the board, as specified.

(10) Existing law establishes, until December 31, 2011, the Rural Health Care Equity Program for the purpose of funding the subsidization and reimbursement of premium costs, deductibles, coinsurance, and other out-of-pocket health care expenses paid by employees living in rural areas, as specified. Existing law provides that the operation of the program is contingent upon funding in the annual Budget Act or another statute. Existing law provides that moneys remaining in an account of the program at the end of any fiscal year shall remain in the account for use in subsequent fiscal years, until the account is terminated and requires that moneys remaining in a program account upon its termination be deposited in the General Fund. State Bargaining Unit 5 has a labor contract with the state that is operative until July 2, 2010.

This bill would provide that, contingent on funding in the annual Budget Act or another statute, the Rural Health Care Equity Program operates solely for the benefit of State Bargaining Unit 5. The bill would terminate operation of the program on July 3, 2010. The bill would require that any moneys that remain in the accounts of the program on July 1, 2009, other than moneys attributable to employees in State Bargaining Unit 5 on that date, be deposited in the General Fund. The bill would provide that, on and after July 3, 2010, benefits of the program would cease to be available to employees in State Bargaining Unit 5, and would require any moneys remaining in the accounts of the program be deposited in the General Fund. The bill would also make technical, corrective, and conforming changes to these provisions.

(11) Existing law requires the local fire authority or the State Fire Marshal to conduct a facility reinspection upon request of a prospective

community care facility licensee and authorizes the primary enforcement agency to assess reinspection fees not to exceed \$50 for a facility with a capacity to serve 25 or fewer and fees not to exceed \$100 for a facility with a capacity to serve 26 or more.

This bill would, instead, authorize the assessed fees to equal, but not exceed, the actual cost of the reinspection services.

(12) Existing law establishes the right of victims to be notified by the district attorney's office, in cases that involve a violent felony, as defined, or in the event of a homicide, the victim's next of kin, of a pending pretrial disposition before a change of plea is entered before a judge. Existing law provides that a victim of any felony may request to be notified, by the district attorney's office, of a pretrial disposition.

The Victims' Bill of Rights Act of 2008: Marcy's Law established, within the California Constitution, that victims, as defined, shall be entitled to certain rights, including the right, upon request, to be notified of and informed before any pretrial disposition of a case.

This bill would amend statutory language to conform the notification rights of victims found in statute to the notification rights provided in the Constitution pursuant to the Victims' Bill of Rights Act of 2008: Marcy's Law.

(13) Under existing law, the Employee Housing Act requires that buildings used for human habitation, and buildings accessory thereto, comply with the building standards in the California Building Standards Code relating to employee housing, as defined. Existing law requires the Department of Housing and Community Development to gather and include specified information in an annual report for all employee housing owner and operator permeates for which it acts as the enforcement agency.

This bill would, from July 1, 2009, to June 30, 2012, inclusive, suspend the requirement that the department gather and include specified information in its annual report.

(14) Under existing law, the department is required to establish a schedule of fees to pay for the cost of administration and enforcement of the Employee Housing Act.

This bill would require the department to establish a schedule of fees that includes, but is not limited to, specified minimum permit fees. The bill would authorize the department, on or after January 1, 2010, to increase these specified fees, if necessary, to finance the costs of administration and enforcement of the act.

(15) Existing law requires the California Housing Finance Agency to administer the California Homebuyer's Downpayment Assistance Program for the purpose of assisting first-time low- and moderate-income home buyers utilizing existing mortgage financing. Under the program, the amount of the downpayment assistance is due and payable at the end of the term or upon sale of or refinancing of the home.

This bill would authorize the agency, in its discretion, to permit the downpayment assistance loan to be subordinated to refinancing if it determines that certain criteria have been met. The bill would authorize the agency to permit subordination on terms and conditions as it determines are reasonable.

(16) Existing law provides for the existence of the State Compensation Insurance Fund for the purpose of transacting workers' compensation insurance, insurance against the expense of defending any suit for serious and willful misconduct against an employer or his or her agent, and insurance to employees and other persons of the compensation fixed by the workers' compensation laws for employees and their dependents.

This bill would authorize the Director of Finance, acting as agent for the state, to sell a portion of or otherwise obtain value for the State Compensation Insurance Fund assets and liabilities. It would provide that this sale or other disposition shall be transacted with an entity that the director, in consultation with the Treasurer, determines will meet specified conditions. It would require that the Board of Directors of the State Compensation Insurance Fund concur that the assets and liabilities identified by the Director of Finance are appropriate for disposition.

This bill would specify the procedures applicable to the sale or other disposition of these assets and liabilities, and would require that the proceeds of any sale or any proceeds achieved through any other disposition of workers' compensation assets and liabilities, less transaction costs, be deposited into the General Fund. It would require the Director of Finance to notify the Joint Legislative Budget Committee in writing upon determining that neither the sale nor any other transaction authorized by this bill is anticipated to achieve the purposes of the bill or upon the completion of a disposition of assets and liabilities pursuant to these provisions.

(17) Existing law creates a Seismic Safety Account within the Insurance Fund, which may be appropriated by the Legislature to fund

the Department of Insurance and the Seismic Safety Commission, as specified. Existing law imposes an assessment upon certain insurers to fund the account. This provision was repealed on July 1, 2009.

This bill would restore the provisions relating to the Seismic Safety Account and extend its operation until July 1, 2012.

(18) The Mobilehome Parks Act requires the payment of a fee of \$11 to the Department of Housing and Development at the time of original registration or renewal of registration for each transportable section of a manufactured home, mobilehome, or commercial coach that is subject to annual renewal, and, for a manufactured home, mobilehome, or truck camper that is not subject to annual renewal, at the time of original registration and upon application for specified subsequent changes. The act also requires the payment of a fee of \$30 for each original application for registration of a floating home and for specified subsequent changes.

This bill would raise to \$23 the fee for the original registration or renewal of registration for each transportable section of a manufactured home, mobilehome, or commercial coach that is subject to annual renewal, and, for a manufactured home, mobilehome, or truck camper that is not subject to annual renewal, the fee for original registration and specified subsequent changes. The bill would also raise the fee for each original application for registration of a floating home and for specified subsequent changes to \$42.

(19) The Mobilehome Parks Act, until January 1, 2012, requires an annual operating permit fee of \$25 and an additional \$2 per lot, as specified.

This bill would, until that same date, instead impose an annual operating permit fee of \$140 and an additional \$7 per lot, as specified.

(20) The Mobilehome Parks Act, beginning January 1, 2012, requires an annual operating permit fee of \$25 and an additional \$2 per lot or camping party, as specified, and a temporary recreational vehicle park operating permit fee of \$25, with no additional fee per lot.

This bill would, beginning January 1, 2012, instead impose an annual operating permit fee of \$140 and an additional \$7 per lot, as specified, and would eliminate the fee for a temporary recreational vehicle park operating permit.

(21) Existing law establishes the Division of Labor Standards Enforcement within the Department of Industrial Relations. Under existing law, the division enforces specified provisions of law relating to private employment.

This bill would establish the Labor Enforcement and Compliance Fund in the State Treasury. The bill would provide that moneys in the fund may be expended by the department, upon appropriation by the Legislature, for the support of the activities that the division performs pursuant to specified provisions of law.

The bill would require the Director of the Department of Industrial Relations to levy a separate surcharge upon all employers, as defined, for purposes of deposit in the Labor Enforcement and Compliance Fund. The bill would require that the total amount of the surcharges be allocated between employers in proportion to payroll respectively paid in the most recent year for which payroll information is available, and would require the director to adopt reasonable regulations governing the manner of collection of the surcharges.

(22) Existing law authorizes the California State Mediation and Conciliation Service (CSMCS) within the Department of Industrial Relations to investigate and mediate labor disputes.

This bill would authorize the Director of Industrial Relations to collect reimbursement for the services provided by CSMCS and would require the director to adopt regulations to implement these provisions.

(23) Under existing law, workers' compensation is the exclusive remedy of a disaster service worker, or his or her dependents, for injury or death arising out of, and in the course of, his or her activities as a disaster service worker. Under that law, no compensation may be paid or furnished to a disaster service worker or the worker's dependent except from money appropriated for the purpose of furnishing compensation to disaster service workers and their dependents. Liability for the payment or furnishing of compensation is dependent upon and limited to the availability of money so appropriated.

This bill would instead provide that workers' compensation may not be paid or furnished to a disaster service worker absent an initial appropriation of funds for that purpose, and that if appropriated funds are not available, the State Compensation Insurance Fund may provide compensation to an eligible claimant whose injuries have previously either been accepted or found to be compensable by the Workers' Compensation Appeals Board. The bill would require the California Emergency Management Agency to reimburse the fund when an appropriation becomes available.

(24) Existing law provides for certain services, protections, and benefits for veterans.

This bill would require that any entity, or other entities with which it subcontracts, that receives specified funding from the federal Workforce Investment Act of 1998, as provided in the 2009 Budget Act, identified for use for veterans, meet specified criteria, as prescribed.

(25) Existing law provides for the establishment and operation of the Veterans' Home of California at various sites for aged and disabled veterans who meet certain eligibility requirements. Existing law establishes the total individual member's fees and charges for any fiscal year based on the level of care, which may not be greater than a specified percentage of the member's annual income or a flat amount, whichever is less.

This bill would eliminate the requirement that the member's fees and charges for any fiscal year be the lesser of a percentage of the member's annual income or a flat amount, and instead prohibit the total of the member's fees and charges for any fiscal year to be greater than a certain percentage of the member's annual income. This bill would prohibit the total of the member's fees and charges for any fiscal year, for domiciliary care, to be greater than 47½%, and, for residential care for the elderly or assisted living, to be greater than 55%, of the member's annual income. This bill would require nonveteran spouses who become members of the home on or after July 1, 2009, to pay fees and charges based on the level of care, as specified, or an amount equal to the annual amount of federal per diem received for a veteran member in domiciliary care, whichever is greater, as provided.

(26) The Bradley-Burns Uniform Local Sales and Use Tax Law and the Transactions and Use Tax Law authorize local governmental agencies to impose sales and use taxes in modified conformity to state sales and use taxes and authorize the State Board of Equalization to impose charges in administering those local taxes. Existing law requires, beginning with the 2006–07 fiscal year, that the amount charged to each local governmental agency be determined in accordance with a methodology described in a specified report by the State Board of Equalization, as provided.

This bill would, for the 2008–09 fiscal year to the 2014–15 fiscal year, inclusive, provide that the amounts determined in accordance with the methodology described in a specified report by the State Board of Equalization shall not include specified revenues.

(27) Existing law establishes the Employment Training Panel (ETP) in the Employment Development Department, and prescribes the membership and functions and duties of the ETP.

This bill would require the panel to establish the Partnership for Workforce Recovery Training (PWRT) for the purpose of supporting and implementing the workforce development goals set forth in the federal American Recovery and Reinvestment Act of 2009 (ARRA). The bill would require the panel to develop and publish guidelines for implementing the PWRT, as specified. The bill would authorize the panel to allocate funds it receives pursuant to the federal Workforce Investment Act of 1998 and the ARRA to support the activities of the PWRT, in accordance with specified requirements. The bill would require that any funds made available to the panel pursuant to those federal statutes be deposited into a separate account established by the Employment Development Department in the State Treasury, and used for the purposes of the PWRT. The bill would authorize the panel to adopt any regulations necessary to implement the provisions of the bill, as provided.

(28) Existing law, the California Workforce Investment Act, establishes the California Workforce Investment Board (CWIB), which is the body responsible for assisting the Governor in the development, oversight, and continuous improvement of California's workforce investment system, and prescribes the functions and duties of the board. Existing law, the California Green Collar Jobs Act of 2008 also establishes a special committee known as the Green Collar Jobs Council (GCJC), which is responsible for the development of a green collar jobs strategic initiative to address the growing need for a highly skilled and well-trained workforce to meet the needs of California's emerging green economy, as prescribed.

This bill would require the CWIB, in coordination with the Employment Development Department, to participate in the development and evaluation of specified grant allocations intended to provide funding to remove barriers for special needs populations for green technology and green collar jobs, and ensure consistency with the green collar jobs strategic initiative, as provided. The bill would also require the CWIB to prepare and annually submit to the Legislature a report containing specified information on the allocation of those grants funds.

(29) Existing law creates the Exposition Park Improvement Fund and requires that all revenues received by the California Science Center for the provision of certain services are deposited into that fund. Under existing law, the moneys in the Exposition Park Improvement Fund may only be used, upon appropriation by the Legislature, for improvements to Exposition Park, as specified.

This bill would authorize up to \$2,800,000 dollars to be transferred from the Exposition Park Improvement Fund into the General Fund for the 2009–10 fiscal year, as specified.

(30) Existing law requires the Department of Finance, the Controller, the Treasurer, and the Department of General Services to collaboratively develop, implement, utilize, maintain, and operate the Financial Information System for California (FISCAL) as a single integrated financial management system that encompasses the management of resources and dollars in the areas of budgeting, accounting, procurement, cash management, financial management, financial reporting, cost accounting, asset management, project accounting, grant management, and human resources management. Existing law requires the FISCAL Project Office in the Department of Finance to implement these provisions until the Office of the Financial Information System is established.

This bill would require the Department of Finance, before executing a contract for the prime vendor to implement these provisions, to submit a written report to the Legislature that includes specified information. The bill would require the report to be submitted to the Legislature for review no less than 30 days before the contract is executed.

(31) Existing law, which has been amended by an initiative measure, requires that, prior to release from the custody of the Department of Corrections and Rehabilitation of a person who has been convicted of certain crimes of a sexual nature, the Director of Corrections and Rehabilitation refer that person to the State Department of Mental Health for evaluation if the director determines that person may be a sexually violent predator.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would require the Director of Finance to identify those local costs associated with the implementation of the sexually violent predator law that are necessary to implement or were expressly included in Proposition 83 of the November 7, 2006, General Election, and to propose an amendment to the applicable parameters and guidelines to the Commission on State Mandates.

(32) Existing law establishes, until January 1, 2012, the Chrome Plating Pollution Prevention Fund administered by the Business, Transportation and Housing Agency. Moneys in the fund, upon

appropriation by the Legislature, are expended by the agency to provide specific loan guarantees to assist chrome plating facilities to purchase high performance environmental control equipment or technologies.

This bill would transfer all unencumbered moneys in the Chrome Plating Pollution Prevention Fund to the General Fund. The bill would require the Secretary of Business, Transportation and Housing to deposit any loan repayments into the General Fund.

(33) Existing law provides that no dog or cat impounded by a public pound or specified shelter shall be killed before 6 business days, as specified. Formerly, these laws required a waiting period of 72 hours.

This bill would declare the intent of the Legislature that the suspension in the Budget Act of 2009 of this requirement does not affect the duties provided in the laws that were impacted by that requirement, and that, therefore, the requirements that dogs and cats be held for a minimum of 72 hours remain in effect.

(34) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(35) The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. The Governor issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on July 1, 2009.

This bill would state that it addresses the fiscal emergency declared by the Governor by proclamation issued on July 1, 2009, pursuant to the California Constitution.

(36) This bill would declare that it is to take effect immediately as an urgency statute.

~~*This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2009.*~~

~~*The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. The Governor issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on July 1, 2009.*~~

~~This bill would state that it addresses the fiscal emergency declared by the Governor by proclamation issued on July 1, 2009, pursuant to the California Constitution.~~

Vote: ~~majority~~^{2/3}. Appropriation: ~~no~~-yes. Fiscal committee: ~~no~~
yes. State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 19616.51 of the Business and Professions
2 Code, as added by Section 4 of Chapter 12 of the 2nd
3 Extraordinary Session of the Statutes of 2009, is amended to read:
4 19616.51. (a) Notwithstanding any other ~~provision~~ of law,
5 and in lieu of any license fee payable to the state prescribed for or
6 referred to in Section 19491, 19491.5, 19596.3, 19601, 19601.2,
7 19602, 19603, 19604, 19605.25, 19605.35, 19605.45, 19605.6,
8 19605.7, 19605.71, 19606.5, 19606.6, 19610.8, 19611, 19612,
9 19614, 19616, 19616.1, 19616.2, or 19641, any association or fair
10 that conducts a racing meeting shall only pay *its proportional*
11 *amount, as determined by the formula devised pursuant to*
12 *paragraph (1), as a license fee to the state, to be deposited into*
13 *the Horse Racing Fund, which is hereby established, to fund the*
14 board and the equine drug testing program as follows:
15 (1) All racing associations and fairs including all breeds of
16 racing shall participate in the funding of the board in accordance
17 with a formula devised by the board in consultation with the
18 industry.
19 (2) The baseline funding for the board and equine drug testing
20 program in the first fiscal year after the enactment of this section
21 shall be the amount approved in the 2008–09 Budget Act.
22 (3) Adjustments to the funding in subsequent budget years may
23 only be made by an act of the Legislature.
24 (b) The license fee reductions resulting from subdivision (a),
25 after payments to fund the board and the equine drug testing
26 program, shall be distributed as follows:
27 (1) For thoroughbred racing only, 3 percent of the amount of
28 the reduction shall be deposited with the official registering agency
29 pursuant to subdivision (a) of Section 19617.2, and shall thereafter
30 be distributed in accordance with subdivisions (b), (c), and (d) of
31 Section 19617.2. The remaining amount shall be distributed to the

1 association that conducts the racing meeting and to horsemen
2 participating in that racing meeting as follows:

3 (A) Fifty percent to the association as commissions.

4 (B) Fifty percent to the horsemen as purses.

5 (2) For quarter horse racing, 2.5 percent of the amount of the
6 reduction shall be deposited with the official registering agency
7 pursuant to subdivision (b) of Section 19617.7, and shall thereafter
8 be distributed in accordance with subdivisions (c), (d), (e), and (f)
9 of Section 19617.7, the remaining amount shall be distributed to
10 the association that conducts the racing meeting and to horsemen
11 participating in that racing meeting as follows:

12 (A) Fifty percent to the association as commissions.

13 (B) Fifty percent to the horsemen as purses.

14 (3) For harness racing, 6 percent of the amount of the reduction
15 shall be distributed as specified in Section 19617.6, the remaining
16 amount shall be distributed to the association that conducts the
17 racing meeting and to horsemen participating in that racing meeting
18 as follows:

19 (A) Fifty percent to the association as commissions.

20 (B) Fifty percent to the horsemen as purses.

21 (4) For all other breeds, the remaining amount shall be
22 distributed to the association that conducts the racing meeting and
23 to horsemen participating in that racing meeting as follows:

24 (A) Fifty percent to the association as commissions.

25 (B) Fifty percent to the horsemen as purses.

26 *SEC. 2. Section 19616.52 is added to the Business and*
27 *Professions Code, to read:*

28 *19616.52. Notwithstanding Section 19616.51, in lieu of all*
29 *amounts payable prior to July 1, 2009, pursuant to Section*
30 *19616.51, as that section existed prior to July 1, 2009, from*
31 *amounts generated by parimutuel wagering on horse races, the*
32 *sum of five million five hundred thousand dollars (\$5,500,000)*
33 *shall be paid by racing associations and fairs from the amount*
34 *available for commissions, purses, and breeder awards, as*
35 *determined by the board, into the State Treasury to the credit of*
36 *the Fair and Exposition Fund over a period of six years.*
37 *Commencing with the 2009–10 fiscal year, one-sixth of the sum*
38 *shall be payable equally for six successive fiscal years. The*
39 *proportionate share to be paid by each racing association and fair*

1 *and the method of payment shall be determined by a formula*
2 *approved by the board in consultation with the industry.*

3 *SEC. 3. Section 14044 is added to the Corporations Code, to*
4 *read:*

5 *14044. (a) As of the effective date of the act adding this section,*
6 *notwithstanding any other provision of this chapter, state money*
7 *in the expansion fund or the trust fund shall not be available to*
8 *corporations or to the state to enter into new loans, loan*
9 *guarantees, or other investments authorized by this chapter.*

10 *(b) State money in the expansion fund and the trust fund that is*
11 *not needed to guarantee existing loans, to administer existing*
12 *loans, or for other existing investments authorized under this*
13 *chapter, as determined by the Director of Finance, shall revert to*
14 *the General Fund.*

15 *(c) For purposes of this section, “state money” means money*
16 *that can be reverted to the General Fund.*

17 *SEC. 4. Article 20.7 (commencing with Section 69999.10) is*
18 *added to Chapter 2 of Part 42 of Division 5 of Title 3 of the*
19 *Education Code, to read:*

20
21 *Article 20.7. California National Guard Education Assistance*
22 *Award Program*
23

24 *69999.10 This article shall be known, and may be cited, as the*
25 *California National Guard Education Assistance Award Program.*

26 *69999.12. There is hereby established the California National*
27 *Guard Education Assistance Award Program.*

28 *69999.14. (a) The Legislature finds and declares all of the*
29 *following:*

30 *(1) The California National Guard exists to provide a military*
31 *organization in California with the capability to protect the lives*
32 *and property of the people of the state during periods of natural*
33 *disaster and civil disturbances, and to perform other functions*
34 *required by the Military and Veterans Code or as directed by the*
35 *Governor.*

36 *(2) The California National Guard performs an essential public*
37 *purpose in protecting the health, safety, and property of California’s*
38 *citizens and, in order to fulfill its objectives, it is necessary for*
39 *the California National Guard to have sufficient human resources*
40 *to deal with natural or human-caused disasters and emergencies.*

1 (3) *An educational assistance award program for members of*
2 *the California National Guard would enhance retention rates*
3 *within the California National Guard. Similar educational*
4 *assistance programs have been highly successful in other states*
5 *and have resulted in substantially higher retention rates.*

6 (b) (1) *As citizen soldiers, members of the California National*
7 *Guard represent California's labor force, which is a diverse*
8 *workforce comprised of skilled and talented workers from all*
9 *regions of the state. Education assistance awards have the added*
10 *benefit of improving the skills, competencies, and abilities of the*
11 *servicemen and servicewomen in the California National Guard*
12 *who make significant contributions to our economy and are a vital*
13 *component of the civilian workforce. It is the intent of the*
14 *Legislature that members of the California National Guard use*
15 *this education assistance program to enhance the state's highly*
16 *skilled and highly trained civilian labor force.*

17 (2) *It is the intent of the Legislature to ensure that the California*
18 *National Guard has the ability to retain its most competent and*
19 *capable members, both in the present and in the future. The*
20 *Legislature recognizes that every member of the California*
21 *National Guard represents additional federal funding to the State*
22 *of California annually. Increasing the strength of the California*
23 *National Guard through higher retention rates would augment*
24 *the total federal revenue to the state, leading to additional money*
25 *flowing into the General Fund as tax revenue.*

26 (c) *It is, therefore, the intent of the Legislature that, in order to*
27 *fulfill the public program of maintaining required strength in the*
28 *California National Guard, an inducement be provided to members*
29 *of the California National Guard by making education assistance*
30 *awards available to California National Guard members seeking*
31 *to improve themselves through higher education. It is the intent*
32 *of the Legislature that these assistance awards be available to*
33 *California National Guard members who serve the state faithfully.*

34 69999.16. (a) *Commencing January 1 of the 2009–10*
35 *academic year, and each academic year thereafter, any qualifying*
36 *member of the California National Guard, the State Military*
37 *Reserve, or the Naval Militia may apply for a California National*
38 *Guard Education Assistance Award.*

1 ***(b) A qualifying member shall meet all of the following***
2 ***conditions to be eligible to receive a California National Guard***
3 ***Education Assistance Award:***

4 ***(1) The person is a resident within the meaning of Section 68017.***

5 ***(2) The person is an active member of, and has served two years***
6 ***in, the California National Guard, the State Military Reserve, or***
7 ***the Naval Militia.***

8 ***(3) The person has been accepted or registered at, or enrolled***
9 ***in, a qualifying institution, as defined in subdivision (l) of Section***
10 ***69432.7.***

11 ***(4) The person agrees to use the award to obtain a certificate,***
12 ***degree, or diploma that he or she does not hold at the time he or***
13 ***she applies for the award, and enrolls in at least three academic***
14 ***units per semester, or the equivalent thereof.***

15 ***(5) The person has submitted the Free Application for Federal***
16 ***Student Aid (FAFSA) to the United States Department of Education.***

17 ***(c) Each person applying for a California National Guard***
18 ***Education Assistance Award shall submit an application for an***
19 ***award to the Adjutant General.***

20 ***(d) The Adjutant General shall do all of the following:***

21 ***(1) Annually identify the skills most needed by the California***
22 ***National Guard to retain members who possess, or seek to possess,***
23 ***those identified skills.***

24 ***(2) Prioritize those applicants who qualify for an award***
25 ***pursuant to subdivision (b) based on the skills most needed by the***
26 ***California National Guard, as identified pursuant to paragraph***
27 ***(1).***

28 ***(3) Select award recipients from among eligible applicants***
29 ***pursuant to subdivision (e).***

30 ***(4) Certify the eligibility of applicants to the Student Aid***
31 ***Commission.***

32 ***(5) Notify recipients of their selection for an award.***

33 ***(e) The Adjutant General shall select recipients who have been***
34 ***judged by the Adjutant General to have outstanding ability on the***
35 ***basis of criteria that may include, but shall not be limited to, any***
36 ***of the following:***

37 ***(1) The Military Occupational Specialty Code or the Air Force***
38 ***Specialty Code.***

39 ***(2) An annual noncommissioned officer evaluation report or***
40 ***officer evaluation report of the preceding two years.***

1 (3) A memorandum from the applicant's commander
2 recommending the applicant for the award.

3 (4) Commendations the applicant has received.

4 (5) An essay, written by the applicant, explaining why education
5 is important to the applicant.

6 (f) The number of awards issued by the Student Aid Commission
7 in any fiscal year shall be limited to the number authorized in the
8 annual Budget Act for that year, but in no event shall exceed 1,000
9 in any fiscal year.

10 (g) The Student Aid Commission shall issue the awards in
11 accordance with Section 69999.18.

12 69999.18. (a) The Student Aid Commission is responsible for
13 issuing awards authorized by Section 69999.16, upon receipt of
14 a certificate from the Adjutant General verifying that the applicant
15 meets the eligibility requirements of this article. The commission
16 shall provide any information to the Military Department that is
17 necessary to meet the reporting requirements of Section 69999.24.

18 (b) The amount of an award issued pursuant to this article shall
19 be as follows:

20 (1) For a recipient attending the University of California or the
21 California State University, the maximum amount of the Cal Grant
22 A award, pursuant to Section 66021.2, as adjusted in the annual
23 Budget Act.

24 (2) For a recipient attending a community college, the maximum
25 amount of the Cal Grant B award, pursuant to Section 66021.2,
26 as adjusted in the annual Budget Act.

27 (3) For a recipient attending a nonpublic institution, the
28 maximum amount of a Cal Grant A award for a student attending
29 the University of California pursuant to Section 66021.2, as
30 adjusted in the annual Budget Act.

31 (c) An award used for graduate studies shall not exceed the
32 maximum amount of a Cal Grant A award, as specified in
33 paragraph (1) of subdivision (b), plus five hundred dollars (\$500)
34 for books and supplies.

35 (d) The award amount under subdivisions (b) and (c) shall not
36 exceed the difference between the recipient's cost of attendance
37 and any other student financial aid and educational benefits
38 pursuant to the federal Montgomery GI Bill (38 U. S. C. 3001 et
39 seq.) or any other federal educational benefits program for
40 veterans.

(e) *California National Guard Education Assistance Awards may be renewed for each new academic year, for a maximum of the greater of either (1) four years of full-time equivalent enrollment, or (2) the duration for which the qualifying member would otherwise be eligible pursuant to the Cal Grant Program (Chapter 1.7 (commencing with Section 69430)), if the Adjutant General certifies the qualifying member's eligibility and the qualifying member maintains at least a 2.0 cumulative grade point average.*

69999.20. *Qualifying members shall not receive both a California National Guard Education Assistance Award and any Cal Grant Award for the same academic year. A qualifying member under this article who is also eligible for a Cal Grant Award may elect between an award under this article and any Cal Grant Award for the same academic year.*

69999.22. *The Student Aid Commission, in consultation with the Military Department, shall adopt emergency rules and regulations, pursuant to Section 11346.1 of the Government Code, for the purpose of administering this article. These rules and regulations shall include provisions that establish criteria for selecting award recipients, including priorities for allocating available money to applicants. The Student Aid Commission may solicit the advice of representatives from postsecondary educational institutions regarding any proposed rules and regulations.*

69999.23. (a) *Costs incurred by the Student Aid Commission for issuing and processing awards shall be reimbursed through an interagency agreement from appropriations in the annual Budget Act to the Military Department for purposes of this article.*

(b) *The Student Aid Commission may enter into contracts with a public agency or a private entity to improve the processing and distribution of awards through the use of electronic networks and unified databases.*

69999.24. *The Student Aid Commission shall report annually to the Legislature regarding program participation, including, but not necessarily limited to, both of the following, as categorized on the basis of age, ethnicity, and gender:*

(a) *The total number of participants in the program established by this article.*

1 ***(b) The number of participants who receive a California***
2 ***National Guard Education Assistance Award, classified by***
3 ***academic year.***

4 69999.26. *The Legislative Analyst shall, on or before January*
5 ***1, 2016, prepare and submit to the Legislature a report on the***
6 ***program established in this article. The report may include***
7 ***recommendations for modifying or extending this article.***

8 69999.28. *This article shall become operative only upon an*
9 ***appropriation by the Legislature for the purposes of this article.***

10 69999.30. *This article shall become inoperative on July 1,*
11 ***2019, and, as of January 1, 2020, is repealed, unless a later***
12 ***enacted statute, that becomes operative on or before January 1,***
13 ***2020, deletes or extends the dates on which it becomes inoperative***
14 ***and is repealed.***

15 ***SEC. 5. Section 8610.5 of the Government Code is amended***
16 ***to read:***

17 8610.5. (a) For purposes of this section, the following
18 definitions shall apply:

19 (1) “Agency” means the California Emergency Management
20 Agency.

21 (2) “Previous fiscal year” means the fiscal year immediately
22 prior to the current fiscal year.

23 ~~(2)~~
24 (3) “Utility” means an “electrical corporation” as defined in
25 Section 218 of the Public Utilities Code, and “utilities” means
26 more than one electrical corporation.

27 (b) (1) State and local costs to carry out activities pursuant to
28 this section and Chapter 4 (commencing with Section 114650) of
29 Part 9 of Division 104 of the Health and Safety Code that are not
30 reimbursed by federal funds shall be borne by utilities operating
31 nuclear powerplants with a generating capacity of 50 megawatts
32 or more.

33 (2) The Public Utilities Commission shall develop and transmit
34 to the agency an equitable method of assessing the utilities
35 operating the powerplants for their reasonable pro rata share of
36 state agency costs specified in paragraph (1).

37 (3) Each local government involved shall submit a statement
38 of its costs specified in paragraph (1), as required, to the agency.

39 (4) Upon each utility’s notification by the agency, from time to
40 time, of the amount of its share of the actual or anticipated state

1 and local agency costs, the utility shall pay this amount to the
2 Controller for deposit in the Nuclear Planning Assessment Special
3 Account, which is continued in existence, for allocation by the
4 Controller, upon appropriation by the Legislature, to carry out
5 activities pursuant to this section and Chapter 4 (commencing with
6 Section 114650) of Part 9 of Division 104 of the Health and Safety
7 Code. The Controller shall pay from this account the state and
8 local costs relative to carrying out this section and Chapter 4
9 (commencing with Section 114650) of Part 9 of Division 104 of
10 the Health and Safety Code, upon certification thereof by the
11 agency.

12 (5) Upon appropriation by the Legislature, the Controller may
13 disburse up to 80 percent of a fiscal year allocation from the
14 Nuclear Planning Assessment Special Account, in advance, for
15 anticipated local expenses, as certified by the agency pursuant to
16 paragraph (4). The agency shall review program expenditures
17 related to the balance of funds in the account and the Controller
18 shall pay the portion, or the entire balance, of the account, based
19 upon those approved expenditures.

20 (c) (1) The total annual disbursement of state costs from the
21 utilities operating the nuclear powerplants within the state for
22 activities pursuant to this section and Chapter 4 (commencing with
23 Section 114650) of Part 9 of Division 104 of the Health and Safety
24 Code, shall not exceed the lesser of the actual costs or the
25 maximum funding levels established in this section, subject to
26 subdivisions (e) and (f), to be shared equally among the utilities.

27 (2) Of the annual amount of two million forty-seven thousand
28 dollars (\$2,047,000) for the 2009–10 fiscal year, the sum of one
29 million ninety-four thousand dollars (\$1,094,000) shall be for
30 support of the agency for activities pursuant to this section and
31 Chapter 4 (commencing with Section 114650) of Part 9 of Division
32 104 of the Health and Safety Code, and the sum of nine hundred
33 fifty-three thousand dollars (\$953,000) shall be for support of the
34 State Department of Public Health for activities pursuant to this
35 section and Chapter 4 (commencing with Section 114650) of Part
36 9 of Division 104 of the Health and Safety Code.

37 (d) (1) The total annual disbursement for each fiscal year,
38 commencing July 1, 2009, of local costs from the utilities shall
39 not exceed the lesser of the actual costs or the maximum funding
40 levels established in this section, in support of activities pursuant

to this section and Chapter 4 (commencing with Section 114650) of Part 9 of Division 104 of the Health and Safety Code. The maximum annual amount available for disbursement for local costs, subject to subdivisions (e) and (f), shall, for the fiscal year beginning July 1, 2009, be one million seven hundred thirty-two thousand dollars (\$1,732,000) for the Diablo Canyon site and one million six hundred thousand dollars (\$1,600,000) for the San Onofre site.

(2) The amounts paid by the utilities under this section shall be allowed for ratemaking purposes by the Public Utilities Commission.

(e) (1) Except as provided in paragraph (2), the amounts available for disbursement for state and local costs as specified in this section shall be adjusted and compounded each fiscal year by the percentage increase in the California Consumer Price Index of the previous ~~calendar~~ fiscal year.

(2) For the Diablo Canyon site, the amounts available for disbursement for state and local costs as specified in this section shall be adjusted and compounded each fiscal year by the larger of the percentage change in the prevailing wage for San Luis Obispo County employees, not to exceed 5 percent, or the percentage increase in the California Consumer Price Index from the previous ~~calendar~~ fiscal year.

(f) Through the inoperative date specified in subdivision (g), the amounts available for disbursement for state and local costs as specified in this section shall be cumulative biennially. Any unexpended funds from a year shall be carried over for one year. The funds carried over from the previous year may be expended when the current year's funding cap is exceeded.

(g) This section shall become inoperative on July 1, 2019, and, as of January 1, 2020, is repealed, unless a later enacted statute, which becomes effective on or before July 1, 2019, deletes or extends the dates on which it becomes inoperative and is repealed.

(h) Upon inoperation of this section, any amounts remaining in the special account shall be refunded pro rata to the utilities contributing thereto, to be credited to the utility's ratepayers.

SEC. 6. Section 11019.10 is added to the Government Code, to read:

11019.10. Except as provided in the Budget Act and implementing statutes, no automatic increases shall be provided

1 *to the University of California, California State University, the*
2 *state courts, or to state agency operations, including, but not*
3 *limited to, annual price increases to state departments and*
4 *agencies.*

5 *SEC. 7. Section 11545 of the Government Code is amended to*
6 *read:*

7 11545. (a) There is in state government the office of the State
8 Chief Information Officer. The State Chief Information Officer
9 shall be appointed by, and serve at the pleasure of, the Governor,
10 subject to Senate confirmation. The State Chief Information Officer
11 shall be a member of the Governor's cabinet.

12 (b) The duties of the State Chief Information Officer shall
13 include, but are not limited to, all of the following:

14 (1) Advising the Governor on the strategic management and
15 direction of the state's information technology resources.

16 (2) Establishing and enforcing state information technology
17 strategic plans, ~~polices~~ *policies*, standards, and enterprise
18 architecture. This shall include the periodic review and maintenance
19 of the information technology sections of the State Administrative
20 Manual, except for sections on information technology procurement
21 ~~procedures, information security~~ and information technology fiscal
22 policy. The State Chief Information Officer shall consult with the
23 Director of General Services, ~~the Director of the Office of~~
24 ~~Information Security and Privacy Protection~~, the Director of
25 Finance, and other relevant agencies concerning policies and
26 standards these agencies are responsible to issue as they relate to
27 information technology.

28 (3) Minimizing overlap, redundancy, and cost in state operations
29 by promoting the efficient and effective use of information
30 technology.

31 ~~(4) Coordinating the activities of agency and department chief~~
32 ~~information officers and the Director of Technology Services for~~
33 ~~purposes of integrating statewide technology initiatives, ensuring~~
34 ~~compliance with information technology policies and standards,~~
35 ~~including policies and standards issued by the Department of~~
36 ~~General Services and the Office of Information Security and~~
37 ~~Privacy Protection, and promoting alignment and effective~~
38 ~~management of information technology resources.~~

39 (4) *Providing technology direction to agency and department*
40 *chief information officers to ensure the integration of statewide*

1 *technology initiatives, compliance with information technology*
2 *policies and standards, and promote the alignment and effective*
3 *management of information technology services. Nothing in this*
4 *paragraph shall be deemed to limit the authority of a constitutional*
5 *officer, cabinet agency secretary, or department director to*
6 *establish programmatic priorities and business direction to the*
7 *respective agency or department chief information officer.*

8 (5) Working to improve organizational maturity and capacity
9 in the effective management of information technology.

10 (6) Establishing performance management and improvement
11 processes to ensure state information technology systems and
12 services are efficient and effective.

13 (7) Approving, suspending, terminating, and reinstating
14 information technology projects.

15 (8) *Performing enterprise information technology functions and*
16 *services, including, but not limited to, implementing Geographic*
17 *Information Systems (GIS), shared services, applications, and*
18 *program and project management activities in partnership with*
19 *the owning agency or department.*

20 (c) ~~The office of the~~ State Chief Information Officer shall
21 produce an annual information technology strategic plan that shall
22 guide the acquisition, management, and use of information
23 technology. State agencies shall cooperate with the office in the
24 development of this plan, as required by the State Chief
25 Information Officer.

26 (1) Upon establishment of the information technology strategic
27 plan, the State Chief Information Officer shall take all appropriate
28 and necessary steps to implement the plan, subject to any
29 modifications and adjustments deemed necessary and reasonable.

30 (2) The information technology strategic plan shall be submitted
31 to the Joint Legislative Budget Committee by January 15, 2009,
32 and annually thereafter.

33 (d) *The State Chief Information Officer shall produce an annual*
34 *information technology performance report that shall assess and*
35 *measure the state's progress toward enhancing information*
36 *technology human capital management; reducing and avoiding*
37 *costs associated with the acquisition, development, implementation,*
38 *management, and operation of information technology assets,*
39 *infrastructure, and systems; improving energy efficiency in the*
40 *use of information technology assets; enhancing the security,*

1 *reliability, and quality of information technology networks,*
2 *services, and systems; and improving the information technology*
3 *procurement process. The office shall establish those policies and*
4 *procedures required to improve the performance of the state's*
5 *information technology program.*

6 *(1) The office shall submit an information technology*
7 *performance management framework to the Joint Legislative*
8 *Budget Committee by May 15, 2009, accompanied by the most*
9 *current baseline data for each performance measure or metric*
10 *contained in the framework. The information technology*
11 *performance management framework shall include the performance*
12 *measures and targets that the office will utilize to assess the*
13 *performance of the state's information technology program. The*
14 *office shall provide notice to the Joint Legislative Budget*
15 *Committee within 30 days of making changes to the framework.*
16 *This notice shall include the rationale for changes in specific*
17 *measures or metrics.*

18 *(2) State agencies shall take all necessary steps to achieve the*
19 *targets set forth by the office and shall report their progress to the*
20 *office on a quarterly basis.*

21 *(3) The information technology performance report shall be*
22 *submitted to the Joint Legislative Budget Committee by January*
23 *15, 2010, and annually thereafter. To enhance transparency, the*
24 *office shall post performance targets and progress toward these*
25 *targets on its public Internet Web site.*

26 *(4) The office shall at least annually report to the Director of*
27 *Finance cost savings achieved through improvements to the way*
28 *the state acquires, develops, implements, manages, and operates*
29 *state technology assets, infrastructure, and systems. This report*
30 *shall be submitted in a timeframe determined by the Department*
31 *of Finance and shall identify the actual savings achieved by each*
32 *office, department, and agency.*

33 *SEC. 8. Section 12472.5 is added to the Government Code, to*
34 *read:*

35 *12472.5. Notwithstanding any other law, on and after January*
36 *1, 2010, payments to employees made through the Uniform State*
37 *Payroll System for a pay period ending on June 30 of each year*
38 *shall be on or after July 1, provided that employees shall, in any*
39 *event, be paid promptly.*

1 *SEC. 9. Section 12715 of the Government Code is amended to*
2 *read:*

3 12715. (a) The Controller, acting in consultation with the
4 California Gambling Control Commission, shall divide the County
5 Tribal Casino Account for each county that has gaming devices
6 that are subject to an obligation to make contributions to the Indian
7 Gaming Special Distribution Fund into a separate account for each
8 tribe that operates a casino within the county. These accounts shall
9 be known as Individual Tribal Casino Accounts, and funds may
10 be released from these accounts to make grants selected by an
11 Indian Gaming Local Community Benefit Committee pursuant to
12 the method established by this section to local jurisdictions
13 impacted by tribal casinos. Each Individual Tribal Casino Account
14 shall be funded in proportion to the amount that each individual
15 tribe paid in the prior fiscal year to the Indian Gaming Special
16 Distribution Fund.

17 (b) (1) There is hereby created in each county in which Indian
18 gaming is conducted an Indian Gaming Local Community Benefit
19 Committee. The selection of all grants from each Individual Tribal
20 Casino Account or County Tribal Casino Account shall be made
21 by each county's Indian Gaming Local Community Benefit
22 Committee. In selecting grants, the Indian Gaming Local
23 Community Benefit Committee shall follow the priorities
24 established in subdivision (g) and the requirements specified in
25 subdivision (h). This committee has the following additional
26 responsibilities:

27 (A) Establishing all application policies and procedures for
28 grants from the Individual Tribal Casino Account or County Tribal
29 Casino Account.

30 (B) Assessing the eligibility of applications for grants from local
31 jurisdictions impacted by tribal gaming operations.

32 (C) Determining the appropriate amount for reimbursement
33 from the aggregate county tribal account of the demonstrated costs
34 incurred by the county for administering the grant programs. The
35 reimbursement for county administrative costs may not exceed 2
36 percent of the aggregate county tribal account in any given fiscal
37 year.

38 (2) Except as provided in Section 12715.5, the Indian Gaming
39 Local Community Benefit Committee shall be composed of seven
40 representatives, consisting of the following:

1 (A) Two representatives from the county, selected by the county
2 board of supervisors.

3 (B) Three elected representatives from cities located within four
4 miles of a tribal casino in the county, selected by the county board
5 of supervisors. In the event that there are no cities located within
6 four miles of a tribal casino in the county, other local
7 representatives may be selected upon mutual agreement by the
8 county board of supervisors and a majority of the tribes paying
9 into the Indian Gaming Special Distribution Fund in the county.
10 When there are no cities within four miles of a tribal casino in the
11 county, and when the Indian Gaming Local Community Benefit
12 Committee acts on behalf of a county where no tribes pay into the
13 Indian Gaming Special Distribution Fund, other local
14 representatives may be selected upon mutual agreement by the
15 county board of supervisors and a majority of the tribes operating
16 casinos in the county. However, if only one city is within four
17 miles of a tribal casino and that same casino is located entirely
18 within the unincorporated area of that particular county, only one
19 elected representative from that city shall be included on the Indian
20 Gaming Local Community Benefit Committee.

21 (C) Two representatives selected upon the recommendation of
22 a majority of the tribes paying into the Indian Gaming Special
23 Distribution Fund in each county. When an Indian Gaming Local
24 Community Benefit Committee acts on behalf of a county where
25 no tribes pay into the Indian Gaming Special Distribution Fund,
26 the two representatives may be selected upon the recommendation
27 of the tribes operating casinos in the county.

28 (c) Sixty percent of each individual tribal casino account shall
29 be available for nexus grants on a yearly basis to cities and counties
30 impacted by tribes that are paying into the Indian Gaming Special
31 Distribution Fund, according to the four-part nexus test described
32 in paragraph (1). Grant awards shall be selected by each county's
33 Indian Gaming Local Community Benefit Committee and shall
34 be administered by the county. Grants may be awarded on a
35 multiyear basis, and these multiyear grants shall be accounted for
36 in the grant process for each year.

37 (1) A nexus test based on the geographical proximity of a local
38 government jurisdiction to an individual Indian land upon which
39 a tribal casino is located shall be used by each county's Indian

1 Gaming Local Community Benefit Committee to determine the
2 relative priority for grants, using the following criteria:

3 (A) Whether the local government jurisdiction borders the Indian
4 lands on all sides.

5 (B) Whether the local government jurisdiction partially borders
6 Indian lands.

7 (C) Whether the local government jurisdiction maintains a
8 highway, road, or other thoroughfare that is the predominant access
9 route to a casino that is located within four miles.

10 (D) Whether all or a portion of the local government jurisdiction
11 is located within four miles of a casino.

12 (2) Fifty percent of the amount specified in subdivision (c) shall
13 be awarded in equal proportions to local government jurisdictions
14 that meet all four of the nexus test criteria in paragraph (1). If no
15 eligible local government jurisdiction satisfies this requirement,
16 the amount specified in this paragraph shall be made available for
17 nexus grants in equal proportions to local government jurisdictions
18 meeting the requirements of paragraph (3) or (4).

19 (3) Thirty percent of the amount specified in subdivision (c)
20 shall be awarded in equal proportions to local government
21 jurisdictions that meet three of the nexus test criteria in paragraph
22 (1). If no eligible local government jurisdiction satisfies this
23 requirement, the amount specified in this paragraph shall be made
24 available for nexus grants in equal proportions to local government
25 jurisdictions meeting the requirements of paragraph (2) or (4).

26 (4) Twenty percent of the amount specified in subdivision (c)
27 shall be awarded in equal proportions to local government
28 jurisdictions that meet two of the nexus test criteria in paragraph
29 (1). If no eligible local government jurisdiction satisfies this
30 requirement, the amount specified in this paragraph shall be made
31 available for nexus grants in equal proportions to local government
32 jurisdictions meeting the requirements of paragraph (2) or (3).

33 (d) Twenty percent of each Individual Tribal Casino Account
34 shall be available for discretionary grants to local jurisdictions
35 impacted by tribes that are paying into the Indian Gaming Special
36 Distribution Fund. These discretionary grants shall be made
37 available to all local jurisdictions in the county irrespective of any
38 nexus to impacts from any particular tribal casino, as described in
39 paragraph (1) of subdivision (c). Grant awards shall be selected
40 by each county's Indian Gaming Local Community Benefit

Committee and shall be administered by the county. Grants may be awarded on a multiyear basis, and these multiyear grants shall be accounted for in the grant process for each year.

(e) (1) Twenty percent of each Individual Tribal Casino Account shall be available for discretionary grants to local jurisdictions impacted by tribes that are not paying into the Indian Gaming Special Distribution Fund. These grants shall be made available to local jurisdictions in the county irrespective of any nexus to impacts from any particular tribal casino, as described in paragraph (1) of subdivision (c), and irrespective of whether the impacts presented are from a tribal casino that is not paying into the Indian Gaming Special Distribution Fund. Grant awards shall be selected by each county's Indian Gaming Local Community Benefit Committee and shall be administered by the county. Grants may be awarded on a multiyear basis, and these multiyear grants shall be accounted for in the grant process for each year.

(A) Grants awarded pursuant to this subdivision are limited to addressing service-oriented impacts and providing assistance with one-time large capital projects related to Indian gaming impacts.

(B) Grants shall be subject to the sole sponsorship of the tribe that pays into the Indian Gaming Special Distribution Fund and the recommendations of the Indian Gaming Local Community Benefit Committee for that county.

(2) If an eligible county does not have a tribal casino operated by a tribe that does not pay into the Indian Gaming Special Distribution Fund, the money available for discretionary grants under this subdivision shall be available for distribution pursuant to subdivision (d).

(f) (1) For each county that does not have gaming devices subject to an obligation to make payments to the Indian Gaming Special Distribution Fund, funds may be released from the county's County Tribal Casino Account to make grants selected by the county's Indian Gaming Local Community Benefit Committee pursuant to the method established by this section to local jurisdictions impacted by tribal casinos. These grants shall be made available to local jurisdictions in the county irrespective of any nexus to any particular tribal casino. These grants shall follow the priorities specified in subdivision (g) and the requirements specified in subdivision (h).

(2) Funds not allocated from a county tribal casino account by the end of each fiscal year shall revert back to the Indian Gaming Special Distribution Fund. Moneys allocated for the 2003–04 fiscal year shall be eligible for expenditure through December 31, 2004.

(g) The following uses shall be the priorities for the receipt of grant money from Individual Tribal Casino Accounts: law enforcement, fire services, emergency medical services, environmental impacts, water supplies, waste disposal, behavioral, health, planning and adjacent land uses, public health, roads, recreation and youth programs, and child care programs.

(h) In selecting grants pursuant to subdivision (b), an Indian Gaming Local Community Benefit Committee shall select only grant applications that mitigate impacts from casinos on local jurisdictions. If a local jurisdiction uses a grant selected pursuant to subdivision (b) for any unrelated purpose, the grant shall terminate immediately and any moneys not yet spent shall revert to the Indian Gaming Special Distribution Fund. If a local jurisdiction approves an expenditure that mitigates an impact from a casino on a local jurisdiction and that also provides other benefits to the local jurisdiction, the grant selected pursuant to subdivision (b) shall be used to finance only the proportionate share of the expenditure that mitigates the impact from the casino.

(i) All grants from Individual Tribal Casino Accounts shall be made only upon the affirmative sponsorship of the tribe paying into the Indian Gaming Special Distribution Fund from whose Individual Tribal Casino Account the grant moneys are available for distribution. Tribal sponsorship shall confirm that the grant application has a reasonable relationship to a casino impact and satisfies at least one of the priorities listed in subdivision (g). A grant may not be made for any purpose that would support or fund, directly or indirectly, any effort related to the opposition or challenge to Indian gaming in the state, and, to the extent any awarded grant is utilized for any prohibited purpose by any local government, upon notice given to the county by any tribe from whose Individual Tribal Casino Account the awarded grant went toward that prohibited use, the grant shall terminate immediately and any moneys not yet used shall again be made available for qualified nexus grants.

(j) A local government jurisdiction that is a recipient of a grant from an Individual County Tribal Casino Account or a County

1 Tribal Casino Account shall provide notice to the public, either
2 through a slogan, signage, or other mechanism, stating that the
3 local government project has received funding from the Indian
4 Gaming Special Distribution Fund and further identifying the
5 particular Individual Tribal Casino Account from which the grant
6 derives.

7 (k) (1) Each county's Indian Gaming Local Community Benefit
8 Committee shall submit to the Controller a list of approved projects
9 for funding from Individual Tribal Casino Accounts. Upon receipt
10 of this list, the Controller shall release the funds directly to the
11 local government entities for which a grant has been approved by
12 the committee.

13 (2) Funds not allocated from an Individual Tribal Casino
14 Account by the end of each fiscal year shall revert back to the
15 Indian Gaming Special Distribution Fund. Moneys allocated for
16 the 2003–04 fiscal year shall be eligible for expenditure through
17 December 31, 2004. *Moneys allocated for the 2008–09 fiscal year*
18 *shall be eligible for expenditure through December 31, 2009.*

19 (l) Notwithstanding any other law, a local government
20 jurisdiction that receives a grant from an Individual Tribal Casino
21 Account shall deposit all funds received in an interest-bearing
22 account and use the interest from those funds only for the purpose
23 of mitigating an impact from a casino. If any portion of the funds
24 in the account are used for any other purpose, the remaining portion
25 shall revert to the Indian Gaming Special Distribution Fund. As a
26 condition of receiving further funds under this section, a local
27 government jurisdiction, upon request of the county, shall
28 demonstrate to the county that all expenditures made from the
29 account have been in compliance with the requirements of this
30 section.

31 *SEC. 10. Section 13302 of the Government Code is amended*
32 *to read:*

33 13302. The accounting system devised as provided in Section
34 13300 shall provide, with respect to the General Fund and other
35 governmental funds, for the following:

36 (a) The accrual of expenditures as of the end of each fiscal year
37 on the basis of payables incurred, excluding accrued interest on
38 general obligation bonded indebtedness.

39 (b) (1) The accrual of revenues at the end of the fiscal year if
40 the underlying transaction has occurred as of the last day of the

1 fiscal year, the amount is measurable, and the actual collection
2 will occur either during the current period or after the end of the
3 current period but in time to pay current year-end liabilities.

4 (2) Cash in agency trust accounts within the centralized State
5 Treasury system that is in transit to the State Treasury, accrued
6 interest receivable, and accounts receivable shall be accrued as of
7 the end of each fiscal year.

8 (c) For the purposes of financial reporting, *the following apply*:

9 (1) A payable exists when goods or services have been delivered
10 and the state is required to pay for those goods or services, and an
11 encumbrance exists when a valid obligation against an
12 appropriation has been created.

13 (2) All funds appropriated shall be identified as either expended,
14 payable, encumbered (exclusive of payables), or unencumbered,
15 as further defined by the California Fiscal Advisory Board, and
16 the total of these shall equal the total appropriation.

17 (d) (1) *Notwithstanding any other law, and except as provided*
18 *in paragraph (2), payments to employees made in July through*
19 *the Uniform State Payroll System for services rendered prior to*
20 *July 1 of each year shall be considered payables incurred in the*
21 *fiscal year in which the warrant is issued.*

22 (2) *Notwithstanding paragraph (1), for purposes of calculating*
23 *maintenance of effort expenditures under Section 8 of Article XVI*
24 *of the California Constitution, or for purposes of calculating funds*
25 *used by a program during the fiscal year, payments made in July*
26 *may be counted towards the prior fiscal year.*

27 SEC. 11. Section 22864.1 is added to the Government Code,
28 to read:

29 22864.1. (a) *This part does not limit the board's authority to*
30 *use reserves generated by one or more self-funded benefit plans*
31 *to reduce or otherwise pay the premiums charged for enrollment*
32 *in one or more separate self-funded health benefit plans offered*
33 *by the board.*

34 (b) *This section shall remain in effect only until June 30, 2010,*
35 *and as of that date is repealed, unless a later enacted statute, that*
36 *is enacted before June 30, 2010, deletes or extends that date.*

37 SEC. 12. Section 22877 of the Government Code is amended
38 to read:

39 22877. (a) As used in this section, the following definitions
40 shall apply:

(1) “Coinsurance” means the provision of a health benefit plan design that requires the health benefit plan and state employee-~~or annuitant~~ to share the cost of hospital or medical expenses at a specified ratio.

(2) “Deductible” means the annual amount of out-of-pocket medical expenses that a state employee-~~or annuitant~~ must pay before the health benefit plan begins paying for expenses.

(3) “Program” means the Rural Health Care Equity Program.

(4) “Rural area” means an area in which there is no board-approved health maintenance organization plan available for enrollment by state employees-~~or annuitants~~ residing in the area.

(b) (1) The Rural Health Care Equity Program is hereby established for the purpose of funding the subsidization and reimbursement of premium costs, deductibles, coinsurance, and other out-of-pocket health care expenses paid by *eligible* employees living in rural areas that would otherwise be covered if the state employee was enrolled in a board-approved health maintenance organization plan. The program shall be administered by the Department of Personnel Administration or by a third-party administrator approved by the Department of Personnel Administration in a manner consistent with all applicable state and federal laws. The board shall determine the rural area for each subsequent fiscal year, at the same time that premiums for health maintenance organization plans are approved.

(2) Separate accounts shall be maintained within the program for all of the following:

(A) Employees, as defined in subdivision (c) of Section 3513.

(B) Excluded employees, as defined in subdivision (b) of Section 3527.

(c) Moneys in the program shall be allocated to the respective accounts as follows:

(1) The contribution provided by the state with respect to each employee, as defined in subdivision (c) of Section 3513, who lives in a rural area and is otherwise eligible, shall be an amount determined through the collective bargaining process.

(2) The contribution provided by the state with respect to each excluded employee, as defined in subdivision (b) of Section 3527, who lives in a rural area and is otherwise eligible, shall be an

1 amount equal to, but not to exceed, the amount contributed pursuant
2 to paragraph (1).

3 (3) If an *eligible* employee enters or leaves service with the state
4 during a fiscal year, contributions for the employee shall be made
5 on a pro rata basis. A similar computation shall be used for anyone
6 entering or leaving the bargaining unit, including a person who
7 enters ~~the bargaining unit~~ *State Bargaining Unit 5* by promotion
8 during a fiscal year.

9 (d) Each fund of the State Treasury, other than the General
10 Fund, shall reimburse the General Fund for any sums allocated
11 pursuant to subdivision (c) for employees whose compensation is
12 paid from that fund. That reimbursement shall be accomplished
13 using the following methodology:

14 (1) On or before December 1 of each year, the Department of
15 Personnel Administration shall provide a list of active state
16 employees who participated in the program during the previous
17 fiscal year to each employing department.

18 (2) On or before January 15 of each year, each department that
19 employed an active state employee identified by the Department
20 of Personnel Administration as a participant in the program shall
21 provide the Department of Personnel Administration with a list of
22 the funds used to pay each employee's salary, along with the
23 proportion of each employee's salary attributable to each fund.

24 (3) Using the information provided by the employing
25 departments, the Department of Personnel Administration shall
26 compile a list of program payments attributable to each fund. On
27 or before February 15 of each year, the Department of Personnel
28 Administration shall transmit this list to the Department of Finance.

29 (4) The Department of Finance shall certify to the Controller
30 the amount to be transferred from the unencumbered balance of
31 each fund to the General Fund.

32 (5) The Controller shall transfer to the General Fund from the
33 unencumbered balance of each impacted fund the amount specified
34 by the Department of Finance.

35 (6) To ensure the equitable allocation of costs, the Director of
36 the Department of Personnel Administration or the Director of
37 Finance may require an audit of departmental reports.

38 (e) Notwithstanding any other ~~provision of~~ law and subject to
39 the availability of funds, moneys within the program shall be
40 disbursed for the benefit of eligible employees. The disbursements

1 shall subsidize the preferred provider plan premiums for the
2 employee by an amount equal to the difference between the
3 weighted average of board-approved health maintenance
4 organization premiums and the lowest board-approved preferred
5 provider plan premium available under this part, and reimburse
6 the employee for a portion or all of his or her incurred deductible,
7 coinsurance, and other out-of-pocket health-related expenses that
8 would otherwise be covered if the employee and his or her family
9 members were enrolled in a board-approved health maintenance
10 organization plan. These subsidies and reimbursements shall be
11 provided as determined by the Department of Personnel
12 Administration, which may include, but is not limited to, a
13 supplemental insurance plan, a medical reimbursement account,
14 or a medical spending account plan.

15 (f) Subject to subdivision (h), moneys remaining in an account
16 of the program at the end of any fiscal year shall remain in the
17 account for use in subsequent fiscal years, until the account is
18 terminated. Moneys remaining in a program account upon
19 termination, after payment of all expenses and claims incurred
20 prior to the date of termination, shall be deposited in the General
21 Fund.

22 (g) The Legislature finds and declares that the program ~~is~~
23 ~~established~~ *shall be operated* for the exclusive benefit of
24 ~~employees, annuitants, and family members of State Bargaining~~
25 ~~Unit 5.~~

26 (h) This section shall be operative only to the extent that funding
27 is provided in the annual Budget Act or another statute *and solely*
28 *for the benefit of employees of State Bargaining Unit 5.*

29 (i) This section shall cease to be operative on ~~January 1, 2012,~~
30 *July 3, 2010*, or on an earlier date if the board makes a formal
31 determination that health maintenance organization plans are no
32 longer the most cost-effective health benefit plans offered by the
33 board.

34 (j) *Notwithstanding any other law, on and after July 1, 2009,*
35 *the benefits of the Rural Health Care Equity Program shall be*
36 *available only to employees in State Bargaining Unit 5, and shall*
37 *not be available to any other employees. Pursuant to subdivision*
38 *(f), any moneys that remain in the accounts of the program on July*
39 *1, 2009, other than moneys attributable to employees in State*
40 *Bargaining Unit 5 on that date, shall be deposited in the General*

Fund. Benefits of the Rural Health Care Equity Program shall cease to be available to employees in State Bargaining Unit 5, on and after July 3, 2010, and any moneys remaining in the accounts of the program shall be deposited in the General Fund.

SEC. 13. Section 1566.2 of the Health and Safety Code is amended to read:

1566.2. A residential facility, which serves six or fewer persons shall not be subject to any business taxes, local registration fees, use permit fees, or other fees to which other family dwellings of the same type in the same zone are not likewise subject. Nothing in this section shall be construed to forbid the imposition of local property taxes, fees for water service and garbage collection, fees for inspections not prohibited by Section 1566.3, local bond assessments, and other fees, charges, and assessments to which other family dwellings of the same type in the same zone are likewise subject. Neither the State Fire Marshal nor any local public entity shall charge any fee for enforcing fire inspection regulations pursuant to state law or regulation or local ordinance, with respect to residential facilities ~~which~~ *that* serve six or fewer persons, *except for fees authorized pursuant to Section 13235.*

For ~~the~~ purposes of this section, “family dwellings,” includes, but is not limited to, single-family dwellings, units in multifamily dwellings, including units in duplexes and units in apartment dwellings, mobilehomes, including mobilehomes located in mobilehome parks, units in cooperatives, units in condominiums, units in townhouses, and units in planned unit developments.

SEC. 14. Section 13235 of the Health and Safety Code is amended to read:

13235. (a) Upon receipt of a request from a prospective licensee of a community care facility, as defined in Section 1502, of a residential care facility for the elderly, as defined in Section 1569.2, or of a child day care facility, as defined in Section 1596.750, the local fire enforcing agency, as defined in Section 13244, or State Fire Marshal, whichever has primary jurisdiction, shall conduct a preinspection of the facility prior to the final fire clearance approval. At the time of the preinspection, the primary fire enforcing agency shall provide consultation and interpretation of fire safety regulations, and shall notify the prospective licensee of the facility in writing of the specific fire safety regulations which shall be enforced in order to obtain fire clearance approval. A fee

1 ~~of not more than fifty dollars (\$50) equal to, but not exceeding,~~
2 ~~the actual cost of the preinspection services~~ may be charged for
3 the preinspection of a facility with a capacity to serve 25 or fewer
4 persons. A fee ~~of not more than one hundred dollars (\$100) equal~~
5 ~~to, but not exceeding, the actual cost of the preinspection services~~
6 may be charged for a preinspection of a facility with a capacity to
7 serve 26 or more persons.

8 (b) The primary fire enforcing agency shall complete the final
9 fire clearance inspection for a community care facility, residential
10 care facility for the elderly, or child day care facility within 30
11 days of receipt of the request for the final inspection, or as of the
12 date the prospective facility requests the final prelicensure
13 inspection by the State Department of Social Services, whichever
14 is later.

15 *SEC. 15. Section 17031.8 of the Health and Safety Code is*
16 *amended to read:*

17 17031.8. (a) An agency ~~which~~ *that* exercises the responsibility
18 for the enforcement of this part pursuant to Section 17050 shall
19 submit to the Department of Housing and Community
20 Development, on forms provided by the department, the
21 information specified in subdivision (c) by March 31 of each year
22 regarding the previous calendar year.

23 (b) The Department of Housing and Community Development
24 shall gather the information specified in subdivision (c) for all
25 permittees for which it acts as the enforcement agency and include
26 a summary of the information from the permittees and enforcement
27 agencies in the annual report submitted pursuant to Section 50408
28 regarding housing programs administered by the department. *This*
29 *subdivision shall be inoperative from July 1, 2009, to June 30,*
30 *2012, inclusive.*

31 (c) The following information shall be provided for purposes
32 of subdivisions (a) and (b) for the reporting year:

33 (1) The number and location of employee housing
34 accommodations, including the number of permits to operate issued
35 for employee housing accommodations.

36 (2) The number and location of inactive employee housing
37 accommodations.

38 (3) The number and location of employee housing
39 accommodations found operating without a permit.

1 (4) The number of employees occupying employee housing
2 accommodations with a permit.

3 (5) The number of employees occupying accommodations found
4 to be operating without a permit.

5 (6) The number and types of inspections and reinspections
6 performed.

7 (7) A schedule of fees charged, the amount of fees collected for
8 each type of fee charged and the total amount of fees collected.

9 (8) The number of complaints received during the reporting
10 year and the character of any violations found for each
11 accommodation operating under permit, operating without a permit,
12 or inactive.

13 (9) The number and character of violations of this part and
14 regulations adopted pursuant to this part found during inspection
15 of each accommodation operating under permit, or operating
16 without a permit.

17 (10) The number of violations of this part and regulations
18 adopted pursuant to this part that resulted in civil citations.

19 (11) The number of cases referred to prosecutorial agencies
20 such as the Attorney General or local district attorneys, the number
21 of cases filed to enforce this part, and the amounts of all fines and
22 civil penalties collected as a result of the enforcement of this part.

23 (12) The number of staff hours dedicated to the implementation
24 of the Employee Housing Act (Part 1 (commencing with Section
25 17000)).

26 (13) The number and location of employee housing receiving
27 an exemption pursuant to Section 17031, 17031.3, 17031.4, or
28 17033.

29 (d) The information specified in subdivision (c) shall be
30 maintained by the department and provided to members of the
31 public who have requested it in writing.

32 *SEC. 16. Section 17036 of the Health and Safety Code is*
33 *amended to read:*

34 17036. (a) Except as provided in Section 18930, the department
35 shall adopt regulations ~~which~~ *that* it determines are necessary for
36 the administration and enforcement of this part. The regulations
37 adopted, amended, or repealed shall prescribe reasonable
38 requirements for issuance of permits and establish procedures for
39 suspension of permits, including appeal procedures.

(b) The department shall establish a schedule of fees to pay for the cost of administration and enforcement of this part, *that includes, but is not limited to, the following minimum permit fees:*

(1) *A two-hundred-dollar (\$200) issuance fee for a permit to operate employee housing for each employee housing facility.*

(2) *A twenty-seven-dollar (\$27) permit operation fee for each employee the operator intends to house where that housing is supplied by the operator; and at least twenty-seven dollars (\$27) for each lot or site provided for parking or the placement of manufactured homes, mobilehomes, or recreational vehicles or other accommodations by employees.*

(c) *On or after January 1, 2010, the department may increase the fees established pursuant to subdivision (b), if necessary, to finance the costs of administration and enforcement of this part.*

(e)

(d) The department may adopt additional regulations to facilitate the development of employee housing pursuant to Sections 17021.5 and 17021.6.

SEC. 17. *Section 18114 of the Health and Safety Code is amended to read:*

18114. (a) A registration fee of ~~eleven dollars (\$11)~~ *twenty-three dollars (\$23)* shall be due and payable to the department at the time of original registration or renewal of registration for each transportable section of a manufactured home, mobilehome, or commercial coach that is subject to annual renewal.

(b) For a manufactured home, mobilehome, or truck camper that is not subject to annual renewal, the registration fee of ~~eleven dollars (\$11)~~ *twenty-three dollars (\$23)* shall be due for each transportable section at the time of original registration and upon application for each subsequent change, addition, or deletion of registered owners, legal owners, or junior lienholders and shall be in addition to any other fees that may be required by the application.

(c) A registration fee of ~~thirty dollars (\$30)~~ *forty-two dollars (\$42)* shall be charged for each original application for registration of a floating home and for each subsequent application to record a change, addition, or deletion of registered owners, legal owners, or junior lienholders of a floating home. This fee shall be in addition to any other fees that may be required by the application.

(d) A registration fee is delinquent if not paid in accordance with the following:

(1) On or before the expiration date of the previous registration year for all annual renewals.

(2) Ten days after the date the transaction is complete, as defined in subdivision (e) of Section 18080.5, for all transactions by or through a dealer whenever a manufactured home, mobilehome, or commercial coach is sold, rented, leased, leased with an option to buy, or otherwise transferred, except that for registration fees due because of annual renewal, the fee is delinquent after the expiration date of the previous registration year.

(3) Except for dealer transactions, 20 days after the registration fee became due for original registration required by subdivision (a), and for registration fees required by subdivisions (b) and (c).

(e) A penalty of three dollars (\$3) shall be added for each registration fee that is delinquent. No penalty is due if the application and required registration fees were placed in the United States mail before midnight on the day before the fee became delinquent, as evidenced by postmark or affidavit by the applicant.

SEC. 18. Section 18502 of the Health and Safety Code, as amended by Section 4 of Chapter 858 of the Statutes of 2006, is amended to read:

18502. Fees as applicable shall be submitted for permits:

(a) Fees for a permit to conduct any construction subject to this part as determined by the schedule of fees adopted by the department.

(b) Plan checking fees equal to one-half of the construction, plumbing, mechanical, and electrical permit fees, except that the minimum fee shall be ten dollars (\$10).

(c) (1) An annual operating permit fee of ~~twenty-five dollars (\$25)~~ *one hundred forty dollars (\$140)* and an additional ~~two dollars (\$2)~~ *seven dollars (\$7)* per lot.

(2) An additional annual fee of four dollars (\$4) per lot shall be paid to the department or the local enforcement agency, as appropriate, at the time of payment of the annual operating fee. All revenues derived from this fee shall be used exclusively for the inspection of mobilehome parks and mobilehomes to determine compliance with the Mobilehome Parks Act (Part 2.1 (commencing with Section 18200)) and any regulations adopted pursuant to the act.

(3) The Legislature hereby finds and declares that the health and safety of mobilehome park occupants are matters of public interest and concern and that the fee paid pursuant to paragraph (2) shall be used exclusively for the inspection of mobilehome parks and mobilehomes to ensure that the living conditions of mobilehome park occupants meet the health and safety standards of this part and the regulations adopted pursuant thereto. Therefore, notwithstanding any other ~~provisions of~~ law or local ordinance, rule, regulation, or initiative measure to the contrary, the holder of the permit to operate the mobilehome park shall be entitled to directly charge one-half of the per lot additional annual fee specified herein to each homeowner, as defined in Section 798.9 of the Civil Code. In that event, the holder of the permit to operate the mobilehome park shall be entitled to directly charge each homeowner for one-half of the per lot additional annual fee at the next billing for the rent and other charges immediately following the payment of the additional fee to the department or local enforcement agency.

(d) Change in name fee or transfer of ownership or possession fee of ten dollars (\$10).

(e) Duplicate permit fee or amended permit fee of ten dollars (\$10).

(f) This section shall remain in effect only until January 1, 2012, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2012, deletes or extends that date.

SEC. 19. Section 18502 of the Health and Safety Code, as amended by Section 6 of Chapter 858 of the Statutes of 2006, is amended to read:

18502. Fees as applicable shall be submitted for permits:

(a) Fees for a permit to conduct any construction subject to this part as determined by the schedule of fees adopted by the department.

(b) Plan checking fees equal to one-half of the construction, plumbing, mechanical, and electrical permit fees, except that the minimum fee shall be ten dollars (\$10).

(c) *An annual operating permit fee of one hundred forty dollars (\$140) and an additional seven dollars (\$7) per lot.*

~~(e) Except for a temporary recreational vehicle park, an annual operating permit fee of twenty-five dollars (\$25) and an additional two dollars (\$2) per lot or two dollars (\$2) per camping party for~~

1 ~~the maximum number of camping parties to be accommodated at~~
2 ~~any one time in an incidental camping area.~~

3 ~~(d) Temporary recreational vehicle park operating permit fee~~
4 ~~of twenty-five dollars (\$25), with no additional fee for the lots.~~

5 ~~(e)~~

6 ~~(d) Change in name fee or transfer of ownership or possession~~
7 ~~fee of ten dollars (\$10).~~

8 ~~(f)~~

9 ~~(e) Duplicate permit fee or amended permit fee of ten dollars~~
10 ~~(\$10).~~

11 ~~(g)~~

12 ~~(f) This section shall become operative on January 1, 2012.~~

13 *SEC. 20. Section 51504 of the Health and Safety Code is*
14 *amended to read:*

15 51504. (a) The agency shall administer a downpayment
16 assistance program that includes, but is not limited to, all of the
17 following:

18 (1) Downpayment assistance shall include, but not be limited
19 to, a deferred-payment, low-interest, junior mortgage loan to reduce
20 the principal and interest payments and make financing affordable
21 to first-time low- and moderate-income home buyers.

22 (2) (A) Except as provided in subparagraph (B) or (C), the
23 amount of downpayment assistance shall not exceed 3 percent of
24 the home sale price.

25 (B) The amount of downpayment assistance for a new home
26 within an infill opportunity zone, as defined in Section 65088.1
27 of the Government Code, a transit village development district, as
28 defined in Section 65460.4 of the Government Code, or a
29 transit-oriented development specific plan area, as defined in
30 paragraph (6), shall not exceed 5 percent of the purchase price or
31 the appraised value, whichever amount is less, of the new home.
32 The borrower of the downpayment assistance shall provide the
33 lender originating the loan with a certification from the local
34 government agency administering the infill opportunity zone, the
35 transit village development district, or the transit-oriented
36 development specific plan area that states that the property involved
37 in the loan transaction is within the boundaries of either the infill
38 opportunity zone, the transit village development district, or the
39 transit-oriented development specific plan area.

(C) Notwithstanding paragraph (1), the agency may, but is not required to, provide downpayment assistance that does not exceed 6 percent of the home sale price to first-time low-income home buyers who, as documented to the agency by a nonprofit organization that is certified and funded to provide home ownership counseling by a federally funded national nonprofit corporation, are purchasing a residence in a community revitalization area targeted by the nonprofit organization as a neighborhood in need of economic stimulation, renovation, and rehabilitation through efforts that include increased home ownership opportunities for low-income families. The agency shall not use more than six million dollars (\$6,000,000) in funds made available pursuant to Section 53533 for the purposes of this paragraph.

(3) The amount of the downpayment assistance shall be secured by a deed of trust in a junior position to the primary financing provided. The term of the loan for the downpayment assistance shall not exceed the term of the primary loan.

(4) (A) *Except as provided in subparagraph (B), the amount of the downpayment assistance shall be due and payable at the end of the term or upon sale of or refinancing of the home. The borrower may refinance the mortgages on the home provided that the principal and accrued interest on the junior mortgage loan securing the downpayment assistance are repaid in full. All repayments shall be made to the agency to be reallocated for the purposes of this chapter.*

(B) The agency may permit the downpayment assistance loan to be subordinated to refinancing if it determines that the borrower has demonstrated hardship, subordination is required to avoid foreclosure, and the new loan meets the agency's underwriting requirements. The agency may permit subordination on terms and conditions as it determines are reasonable.

(5) The agency may use up to 5 percent of the funds appropriated by the Legislature for purposes of this chapter to administer this program.

(6) For the purposes of this section, “transit-oriented development specific plan area” means a specific plan that meets the criteria set forth in Section 65451 of the Government Code, is centered around a rail or light-rail station, ferry terminal, bus hub, or bus transfer station, and is intended to achieve a higher density use of land that facilitates use of the transit station.

(b) In addition to the downpayment assistance program authorized by subdivision (a), the agency may, at its discretion, use not more than seventy-five million dollars (\$75,000,000) of the funds available pursuant to this chapter to finance the acquisition of land and the construction and development of for-sale residential structures, through short-term loans pursuant to its authority pursuant to Section 51100. However, the agency shall make downpayment assistance provided pursuant to paragraph (1), subparagraphs (A) and (B) of paragraph (2), and paragraphs (3) to (5), inclusive, of subdivision (a) the priority use for these funds. A loan made pursuant to this section is not subject to Article 4 (commencing with Section 51175) of Chapter 5.

SEC. 21. Article 7 (commencing with Section 11885) is added to Chapter 4 of Part 3 of Division 2 of the Insurance Code, to read:

Article 7. Transfer of Ownership

11885. (a) The Director of Finance is hereby authorized to act as agent for the state and, in that capacity, to sell a portion of, or otherwise obtain value for, the State Compensation Insurance Fund's assets and liabilities. That authorized sale or other disposition shall be transacted with an entity that the director, in consultation with the State Treasurer, determines will provide the best combination of each of the following:

(1) The highest price for the State Compensation Insurance Fund's workers' compensation insurance assets and liabilities or the best value to the General Fund, or both.

(2) The greatest security for the payment of the purchase price.

(3) Demonstrated competence and professional qualifications for the continued satisfactory performance of the workers' compensation insurance services offered for sale or other disposition.

(b) Prior to releasing any Notice of Request for Qualifications, a majority of the State Compensation Insurance Fund Board of Directors shall concur that the assets and liabilities that are identified by the Director of Finance, in consultation with the State Treasurer, in subdivision (a) are appropriate for sale or other disposition.

1 (c) Notwithstanding any other law, the process for sale or other
2 disposition shall include the steps the director, in consultation
3 with the State Treasurer, deems necessary or convenient to achieve
4 the ends set forth in this section. The process shall include, but
5 not necessarily be limited to, all of the following:

6 (1) The satisfaction of criteria established by the director, in
7 consultation with the State Treasurer, consistent with achieving
8 the best price or other value for those workers' compensation
9 insurance assets and liabilities. These criteria shall include any
10 pertinent requirements of the State Compensation Insurance Fund
11 Board of Directors.

12 (2) A Notice of Request for Qualifications sent by the Director
13 of Finance to each firm currently providing workers' compensation
14 insurance coverage to California employers and any entity
15 proposed by the State Compensation Insurance Fund Board of
16 Directors. In addition, it shall be advertised in the State Contracts
17 Register pursuant to Sections 14827.1 and 14827.2 of the
18 Government Code. This notice shall include a description of the
19 workers' compensation insurance program, a summary description
20 of the workers' compensation insurance assets and liabilities
21 offered for sale or other disposition, and a description of the due
22 diligence review process to provide potential purchasers with
23 further information regarding the workers' compensation insurance
24 assets and liabilities offered for sale or other disposition, the
25 selection criteria on which the transaction will be based, the
26 submission requirements and deadlines, and a Department of
27 Finance contact name and telephone number for more information.
28 A copy of the Notice of Request for Qualifications shall be provided
29 to the Joint Legislative Budget Committee within seven days of its
30 release.

31 (3) The evaluation by the director, in consultation with the State
32 Treasurer, of all statements timely submitted in response to the
33 Notice of Request for Qualifications sent pursuant to paragraph
34 (2), using the criteria contained in the notice, and, based on those
35 statements, the establishment of a qualified participant list.

36 (4) For purposes of Section 11772, any action by the board of
37 directors related to any transaction contemplated by this article,
38 including, but not limited to, any approvals of such transactions,
39 shall be deemed to be in good faith.

1 (5) *The Director of Finance shall notify the Joint Legislative*
2 *Budget Committee in writing within seven days of completing a*
3 *sale pursuant to subdivision (a).*

4 11885.3. *In order to accomplish the purpose of this article, the*
5 *State Compensation Insurance Fund and its board of directors*
6 *shall participate fully in good faith with the Director of Finance,*
7 *and the Director of Finance shall act in good faith in carrying out*
8 *the duties prescribed by this article.*

9 11885.5. *Notwithstanding any other law, the approval of*
10 *neither the Attorney General, nor the Insurance Commissioner,*
11 *nor the Director of General Services is required for execution and*
12 *implementation of the sale or other disposition of the assets and*
13 *liabilities of the State Compensation Insurance Fund or any other*
14 *agreement authorized by this article.*

15 11885.7. (a) *The Director of Finance shall deposit all proceeds*
16 *of any sale of, or any funds achieved through any other disposition*
17 *of, the State Compensation Insurance Fund's workers'*
18 *compensation insurance assets and liabilities under this article,*
19 *less any costs related to that transaction, into the General Fund.*

20 (b) *The proceeds of any sale of, or any funds achieved through*
21 *any other disposition of, the State Compensation Insurance Fund's*
22 *workers' compensation insurance assets and liabilities are not*
23 *"proceeds of taxes" as that term is used in subdivision (c) of*
24 *Section 8 of Article XIII B of the California Constitution. The*
25 *disbursement of these proceeds is not subject to the limitations*
26 *imposed by that article.*

27 11885.9. (a) *Notwithstanding any other law, the Director of*
28 *Finance is authorized to enter into agreements with firms or*
29 *individuals to act as advisers to the state in the transactions*
30 *contemplated by this article. Section 14838 of the Government*
31 *Code and Article 4 (commencing with Section 10335) of Chapter*
32 *2 of Part 2 of Division 2 of the Public Contract Code do not apply*
33 *to any agreement entered into by the director with advisers*
34 *pursuant to this section.*

35 (b) *Notwithstanding any other law, the Director of Finance is*
36 *also authorized to enter into legal services agreements to obtain*
37 *specialized legal advice related to the transactions contemplated*
38 *by this article. Section 11040 of the Government Code and Section*
39 *6072 of the Business and Professions Code shall not apply to the*

1 *legal services agreements entered into by the director pursuant to*
2 *this section.*

3 *11886. (a) The Director of Finance, in consultation with the*
4 *State Treasurer, shall select firms or individuals to provide*
5 *advisory services based on demonstrated competence and*
6 *professional qualifications necessary for the satisfactory*
7 *performance of the services required and in the manner described*
8 *in this section.*

9 *(b) The Director of Finance, in consultation with the State*
10 *Treasurer, shall establish selection criteria for selecting advisers.*
11 *The criteria may include, but are not necessarily limited to, factors*
12 *such as professional excellence, demonstrated competence,*
13 *specialized experience in performing similar services, education*
14 *and experience of key personnel to be assigned, staff capability,*
15 *ability to meet schedules, nature and quality of similar completed*
16 *work of the firm or individual, reliability and continuity of the firm*
17 *or individual, and other considerations deemed by the director,*
18 *in consultation with the State Treasurer, to be relevant and*
19 *necessary to the performance of advisory services.*

20 *(c) In order to select advisers, the director shall publish a Notice*
21 *of Request for Qualifications in the State Contracts Register*
22 *pursuant to Sections 14827.1 and 14827.2 of the Government*
23 *Code. The notice shall include a description of the advisory*
24 *services required, the selection criteria on which the contract*
25 *award will be based, submission requirements and deadlines, and*
26 *a Department of Finance contact name and telephone number for*
27 *more information. A copy of the Notice of Request for*
28 *Qualifications shall be provided to the Joint Legislative Budget*
29 *Committee within seven days of publication in the State Contracts*
30 *Register.*

31 *(d) (1) After the final response date stated in the Notice of*
32 *Request for Qualifications, the Director of Finance, in consultation*
33 *with the State Treasurer, shall review the responses submitted,*
34 *and shall evaluate them using the criteria contained in the notice.*
35 *The director shall rank, in order of preference based on the criteria*
36 *contained in the notice, the firm or individuals determined to be*
37 *qualified to perform the required services.*

38 *(2) The Director of Finance, in consultation with the State*
39 *Treasurer, may interview any of the qualified firms or individuals*
40 *regarding the experience and qualifications of those firms or*

1 individuals, as well as anticipated concepts and the benefits of
2 alternative methods of furnishing the required services.

3 (e) (1) Following the interviews, if any, held pursuant to
4 subdivision (d), the Director of Finance shall adjust the ranking
5 of the qualified individuals or firms to reflect those firms or
6 individuals deemed to be the most highly qualified to perform the
7 required services.

8 (2) The Director of Finance, in consultation with the State
9 Treasurer, shall enter into negotiations with the firm or individual
10 most highly ranked pursuant to paragraph (1). If negotiations are
11 concluded successfully, the director shall enter into a contract. If
12 the director, in his or her sole discretion, concludes that the
13 negotiations are unsuccessful, the director shall terminate the
14 negotiations, and begin new negotiations, in consultation with the
15 State Treasurer, with the other firms or individuals ranked pursuant
16 to paragraph (1) in order of their ranking, and either contract
17 with or terminate negotiations with each next most highly ranked
18 firm or individual.

19 (3) If, after pursuing the negotiation process set forth in
20 paragraph (2), the Director of Finance has been unable to
21 negotiate a satisfactory contract at fair and reasonable
22 compensation, the director may reinstate the selection process
23 prescribed in this section, commencing with the issuance of a new
24 Notice of Request for Qualifications.

25 (4) The Director of Finance shall notify the Joint Legislative
26 Budget Committee in writing within seven days of entering into a
27 contract with an individual or firm for advisory services.

28 (f) This section shall not apply to the selection of a legal services
29 adviser.

30 11886.2. (a) The Director of Finance shall notify the Joint
31 Legislative Budget Committee in writing upon his or her
32 determination that neither the sale nor any other transaction
33 authorized by this article is anticipated to achieve the purposes of
34 this article or upon the completion of a disposition of State
35 Compensation Insurance Fund assets and liabilities pursuant to
36 this article.

37 (b) The Director of Finance shall cease those activities he or
38 she is authorized or directed to undertake pursuant to this article
39 upon the earlier of either:

1 (1) *The 30th day following written notice by the director to the*
2 *Chairperson of the Joint Legislative Budget Committee pursuant*
3 *to subdivision (a).*

4 (2) *January 10, 2012.*

5 SEC. 22. *Section 12975.9 is added to the Insurance Code, to*
6 *read:*

7 12975.9. (a) *The Seismic Safety Account is hereby created as*
8 *a special account within the Insurance Fund. Money in the account*
9 *may be appropriated by the Legislature for the purposes of this*
10 *section to fund the department and the Seismic Safety Commission.*
11 *Assessments imposed on insurers as a prorated percentage of*
12 *premiums earned on property exposures for both commercial and*
13 *residential insurance policies relative to the aggregate premiums*
14 *earned on those exposures by all insurers shall be deposited in*
15 *the account. The premiums earned for property exposures shall*
16 *be as stated on lines 4 and 5.1 of the annual statement filed by*
17 *each insurer pursuant to Section 900. The assessments shall be*
18 *set annually based on earned premiums reported for the next*
19 *preceding year by the department and calculated so that the funds*
20 *in the account shall be sufficient to fund appropriations for support*
21 *of the Seismic Safety Commission, for the actual collection and*
22 *administrative costs of the department, and for the maintenance*
23 *of an adequate reserve. The department shall submit the proposed*
24 *assessments to the Seismic Safety Commission for its review at a*
25 *regularly scheduled meeting of the commission.*

26 (b) *No assessment shall be levied on insurers with less than one*
27 *hundred thousand dollars (\$100,000) of annual direct premiums*
28 *earned on property exposures for both commercial and residential*
29 *insurance policies. The department may adjust this amount as*
30 *necessary to minimize costs by excluding assessment amounts that*
31 *are too small to justify the cost of assessment and collection or if*
32 *assessment or collection is impractical.*

33 (c) *An insurer, in its discretion, may recover this assessment in*
34 *an equitable fashion from the insured. The insurer, upon receipt*
35 *of an invoice, shall transmit payment to the department for deposit*
36 *in the Seismic Safety Account. Any deficiency or excess in the*
37 *amount collected in relation to the appropriation authority for the*
38 *commission and the department shall be accounted for in the*
39 *subsequent annual fee calculation. Any balance remaining in the*

Seismic Safety Account at the end of the fiscal year shall be retained in the account and carried forward to the next fiscal year.

(d) Funds in the Seismic Safety Account shall be distributed, upon appropriation, to the Seismic Safety Commission for the support of the commission and to the department for the actual administrative costs incurred in collecting the assessments.

(e) The department shall report annually to the Legislature, the Seismic Safety Commission, and the Department of Finance on the assessment calculation methodology employed.

(f) This section shall become inoperative on July 1, 2012, and, as of January 1, 2013, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2013, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 23. Section 62.5 of the Labor Code is amended to read:

62.5. (a) (1) The Workers' Compensation Administration Revolving Fund is hereby created as a special account in the State Treasury. Money in the fund may be expended by the department, upon appropriation by the Legislature, for all of the following purposes, and may not be used or borrowed for any other purpose:

(A) For the administration of the workers' compensation program set forth in this division and Division 4 (commencing with Section 3200), other than the activities financed pursuant to Section 3702.5.

(B) For the Return-to-Work Program set forth in Section 139.48.

(C) For the enforcement of the insurance coverage program established and maintained by the Labor Commissioner pursuant to Section 90.3.

(2) The fund shall consist of surcharges made pursuant to paragraph (1) of subdivision (e) (f).

(b) (1) The Uninsured Employers Benefits Trust Fund is hereby created as a special trust fund account in the State Treasury, of which the director is trustee, and its sources of funds are as provided in paragraph (1) of subdivision (e) (f). Notwithstanding Section 13340 of the Government Code, the fund is continuously appropriated for the payment of nonadministrative expenses of the workers' compensation program for workers injured while employed by uninsured employers in accordance with Article 2 (commencing with Section 3710) of Chapter 4 of Part 1 of Division 4, and shall not be used for any other purpose. All moneys collected shall be retained in the trust fund until paid as benefits to workers

1 injured while employed by uninsured employers.
2 Nonadministrative expenses include audits and reports of services
3 prepared pursuant to subdivision (b) of Section 3716.1. The
4 surcharge amount for this fund shall be stated separately.

5 (2) Notwithstanding any other provision of law, all references
6 to the Uninsured Employers Fund shall mean the Uninsured
7 Employers Benefits Trust Fund.

8 (3) Notwithstanding paragraph (1), in the event that budgetary
9 restrictions or impasse prevent the timely payment of administrative
10 expenses from the Workers' Compensation Administration
11 Revolving Fund, those expenses shall be advanced from the
12 Uninsured Employers Benefits Trust Fund. Expense advances
13 made pursuant to this paragraph shall be reimbursed in full to the
14 Uninsured Employers Benefits Trust Fund upon enactment of the
15 annual Budget Act.

16 (4) Any moneys from penalties collected pursuant to Section
17 3722 as a result of the insurance coverage program established
18 under Section 90.3 shall be deposited in the State Treasury to the
19 credit of the Workers' Compensation Administration Revolving
20 Fund created under ~~Section 62.5~~ *this section*, to cover expenses
21 incurred by the director under the insurance coverage program.
22 The amount of any penalties in excess of payment of administrative
23 expenses incurred by the director for the insurance coverage
24 program established under Section 90.3 shall be deposited in the
25 State Treasury to the credit of the Uninsured Employers Benefits
26 Trust Fund for nonadministrative expenses, as prescribed in
27 paragraph (1), and notwithstanding paragraph (1), shall only be
28 available upon appropriation by the Legislature.

29 (c) (1) The Subsequent Injuries Benefits Trust Fund is hereby
30 created as a special trust fund account in the State Treasury, of
31 which the director is trustee, and its sources of funds are as
32 provided in *paragraph (1) of subdivision (e) (f)*. Notwithstanding
33 Section 13340 of the Government Code, the fund is continuously
34 appropriated for the nonadministrative expenses of the workers'
35 compensation program for workers who have suffered serious
36 injury and who are suffering from previous and serious permanent
37 disabilities or physical impairments, in accordance with Article 5
38 (commencing with Section 4751) of Chapter 2 of Part 2 of Division
39 4, and Section 4 of Article XIV of the California Constitution, and
40 shall not be used for any other purpose. All moneys collected shall

1 be retained in the trust fund until paid as benefits to workers who
2 have suffered serious injury and who are suffering from previous
3 and serious permanent disabilities or physical impairments.
4 Nonadministrative expenses include audits and reports of services
5 pursuant to subdivision (c) of Section 4755. The surcharge amount
6 for this fund shall be stated separately.

7 (2) Notwithstanding any other ~~provision of~~ law, all references
8 to the Subsequent Injuries Fund shall mean the Subsequent Injuries
9 Benefits Trust Fund.

10 (3) Notwithstanding paragraph (1), in the event that budgetary
11 restrictions or impasse prevent the timely payment of administrative
12 expenses from the Workers' Compensation Administration
13 Revolving Fund, those expenses shall be advanced from the
14 Subsequent Injuries Benefits Trust Fund. Expense advances made
15 pursuant to this paragraph shall be reimbursed in full to the
16 Subsequent Injuries Benefits Trust Fund upon enactment of the
17 annual Budget Act.

18 (d) The Occupational Safety and Health Fund is hereby created
19 as a special account in the State Treasury. Moneys in the account
20 may be expended by the department, upon appropriation by the
21 Legislature, for support of the Division of Occupational Safety
22 and Health, the Occupational Safety and Health Standards Board,
23 and the Occupational Safety and Health Appeals Board, and the
24 activities these entities perform as set forth in this division, and
25 Division 5 (commencing with Section 6300).

26 (e) *The Labor Enforcement and Compliance Fund is hereby*
27 *created as a special account in the State Treasury. Moneys in the*
28 *fund may be expended by the department, upon appropriation by*
29 *the Legislature, for the support of the activities that the Division*
30 *of Labor Standards Enforcement performs pursuant to this division*
31 *and Division 2 (commencing with Section 200), Division 3*
32 *(commencing with Section 2700), and Division 4 (commencing*
33 *with Section 3200). The fund shall consist of surcharges imposed*
34 *pursuant to paragraph (3) of subdivision (f).*

35 (e)
36 (f) (1) Separate surcharges shall be levied by the director upon
37 all employers, as defined in Section 3300, for purposes of deposit
38 in the Workers' Compensation Administration Revolving Fund,
39 the Uninsured Employers Benefits Trust Fund, the Subsequent
40 Injuries Benefits Trust Fund, and the Occupational Safety and

1 Health Fund. The total amount of the surcharges shall be allocated
2 between self-insured employers and insured employers in
3 proportion to payroll respectively paid in the most recent year for
4 which payroll information is available. The director shall adopt
5 reasonable regulations governing the manner of collection of the
6 surcharges. The regulations shall require the surcharges to be paid
7 by self-insurers to be expressed as a percentage of indemnity paid
8 during the most recent year for which information is available,
9 and the surcharges to be paid by insured employers to be expressed
10 as a percentage of premium. In no event shall the surcharges paid
11 by insured employers be considered a premium for computation
12 of a gross premium tax or agents' commission. In no event shall
13 the total amount of the surcharges paid by insured and self-insured
14 employers exceed the amounts reasonably necessary to carry out
15 the purposes of this section.

16 (2) *The surcharge levied by the director for the Occupational*
17 *Safety and Health Fund, pursuant to paragraph (1), shall not*
18 *generate revenues in excess of fifty-two million dollars*
19 *(\$52,000,000) on and after the 2009–10 fiscal year, adjusted for*
20 *each fiscal year as appropriate to reconcile any over/under*
21 *assessments from previous fiscal years pursuant to Sections 15606*
22 *and 15609 of Title 8 of the California Code of Regulations, and*
23 *may increase by not more than the state-local government deflator*
24 *each year thereafter through July 1, 2013, and, as appropriate, to*
25 *reconcile any over/under assessments from previous fiscal years.*
26 *For the 2013–14 fiscal year, the surcharge level shall return to*
27 *the level in place on June 30, 2009, adjusted for inflation based*
28 *on the state-local government deflator.*

29 (3) *A separate surcharge shall be levied by the director upon*
30 *all employers, as defined in Section 3300, for purposes of deposit*
31 *in the Labor Enforcement and Compliance Fund. The total amount*
32 *of the surcharges shall be allocated between employers in*
33 *proportion to payroll respectively paid in the most recent year for*
34 *which payroll information is available. The director shall adopt*
35 *reasonable regulations governing the manner of collection of the*
36 *surcharges. In no event shall the total amount of the surcharges*
37 *paid by employers exceed the amounts reasonably necessary to*
38 *carry out the purposes of this section.*

39 (4) *The surcharge levied by the director for the Labor*
40 *Enforcement and Compliance Fund shall not exceed thirty-seven*

million dollars (\$37,000,000) in the 2009–10 fiscal year, adjusted as appropriate to reconcile any over/under assessments from previous fiscal years, and shall not be adjusted each year thereafter by more than the state-local government deflator, and, as appropriate, to reconcile any over/under assessments from previous fiscal years pursuant to Sections 15606 and 15609 of Title 8 of the California Code of Regulations.

(2)

(5) The regulations adopted pursuant to paragraph (1) to (4), inclusive, shall be exempt from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(g) On and after July 1, 2013, subdivision (e) and paragraphs (2) to (4), inclusive, of subdivision (f) are inoperative, unless a later enacted statute, that is enacted before July 1, 2013, deletes or extends that date.

SEC. 24. Section 67 is added to the Labor Code, to read:

67. (a) Notwithstanding any other law, the director may seek and collect reimbursement from private and public sector employers, labor unions, and employee organizations for election, arbitration, and training and facilitation services provided by the California State Mediation and Conciliation Service pursuant to Section 65 and for representation services, including the provision of hearing officers, related to public transit labor relations provided by the California State Mediation and Conciliation Service pursuant to the Public Utilities Code.

(b) The director shall adopt regulations implementing this section.

SEC. 25. Section 4352 of the Labor Code is amended to read:

4352. (a) No compensation shall be paid or furnished to a disaster service ~~workers~~ worker or ~~their dependents~~ a dependent of a disaster service worker pursuant to this division ~~except from money appropriated~~ absent an initial appropriation of funds for the purpose of furnishing compensation to a disaster service ~~workers and their dependents~~ worker or a dependent of a disaster service worker. Liability for the initial payment or furnishing of compensation is dependent upon and limited to the availability of money so appropriated.

1 (b) Notwithstanding subdivision (a), when appropriated funds
2 are temporarily unavailable for disbursement, the State
3 Compensation Insurance Fund may provide compensation to an
4 eligible claimant under this section whose injuries have previously
5 either been accepted or found to be compensable by the Workers'
6 Compensation Appeals Board.

7 (1) Compensation to, and benefits for, an eligible claimant
8 provided for under this subdivision may include the issuance of
9 checks by the State Compensation Insurance Fund.

10 (2) Within 30 days of the date funds that had been temporarily
11 unavailable are appropriated, and therefore become available,
12 the California Emergency Management Agency shall reimburse
13 the State Compensation Insurance Fund for compensation paid
14 to, or benefits paid for, a claimant pursuant to paragraph (1), in
15 addition to any applicable interest, service fees, or charges.

16 ~~After~~

17 (c) After all money ~~so~~ appropriated as described in subdivision
18 (a) is expended or set aside in bookkeeping reserves for the
19 payment or furnishing of compensation and reimbursing the State
20 Compensation Insurance Fund for its services, the payment or
21 furnishing of compensation for an injury to a disaster service
22 worker or his or her dependents is dependent upon there having
23 been a reserve set up for the payment or furnishing of compensation
24 to that disaster service worker or his or her dependents and for that
25 injury, and liability is limited to the amount of the reserve. The
26 excess in a reserve for the payment or furnishing of compensation
27 or for reimbursing the State Compensation Insurance Fund for its
28 compensation payments and services may be transferred to reserves
29 of other disaster service workers for the payment or furnishing of
30 compensation and reimbursing the State Compensation Insurance
31 Fund, or may be used to set up reserves for other disaster service
32 workers.

33 SEC. 26. Article 8.2 (commencing with Section 999.80) is added
34 to Chapter 6 of Division 4 of the Military and Veterans Code, to
35 read:

36
37 Article 8.2. Veterans Services Funding

38
39 999.80. Any entity, or other entity with which it subcontracts,
40 that receives funding from the federal Workforce Investment Act

of 1998 (WIA) (29 U.S.C. Sec. 2801 et seq.), as identified in Item 7100-001-0869, schedule (4) 61.60 - WIA Removing Barriers for Special Needs Populations, identified for use for veterans, of Section 2.00 of the Budget Act of 2009 (Chapter 1 of the Statutes of the 2009 Third Extraordinary Session), and future budget acts, shall meet the following criteria:

(a) Demonstrate the knowledge, experience, and capacity to provide desired services to veterans.

(b) Demonstrate that the majority of the entity's WIA resources are dedicated to serving the needs of veterans and their families.

SEC. 27. Section 1012.3 of the Military and Veterans Code is amended to read:

1012.3. (a) Members of the home shall pay fees and charges as determined by the department, except that the total of the individual member's fees and charges for any fiscal year shall not be greater than as set forth in the following schedule:

(a)
(1) Forty-seven and one-half percent of the member's annual income, ~~or one thousand two hundred dollars (\$1,200) per month,~~ for residential domiciliary care, ~~whichever is less.~~

(2) Fifty-five percent of the member's annual income for residential care for the elderly or assisted living.

(b)
(3) Sixty-five percent of the member's annual income, ~~or two thousand three hundred dollars (\$2,300) per month,~~ for intermediate care, ~~whichever is less.~~

(c)
(4) Seventy percent of the member's annual income, ~~or two thousand five hundred dollars (\$2,500) per month,~~ for skilled nursing care, ~~whichever is less.~~

(b) Nonveteran spouses who become members of the home on or after July 1, 2009, shall pay fees and charges based on the level of care, as described in subdivision (a), or an amount equal to the annual amount of federal per diem received for a veteran member in domiciliary care, whichever is greater. If the nonveteran member's income is less than the annual amount of federal per diem for a veteran member in domiciliary care, the nonveteran member shall pay a maximum of 90 percent of his or her annual income.

SEC. 28. Section 679.02 of the Penal Code is amended to read:

1 679.02. (a) The following are hereby established as the
2 statutory rights of victims and witnesses of crimes:

3 (1) To be notified as soon as feasible that a court proceeding to
4 which he or she has been subpoenaed as a witness will not proceed
5 as scheduled, provided the prosecuting attorney determines that
6 the witness' attendance is not required.

7 (2) Upon request of the victim or a witness, to be informed by
8 the prosecuting attorney of the final disposition of the case, as
9 provided by Section 11116.10.

10 (3) For the victim, the victim's parents or guardian if the victim
11 is a minor, or the next of kin of the victim if the victim has died,
12 to be notified of all sentencing proceedings, and of the right to
13 appear, to reasonably express his or her views, have those views
14 preserved by audio or video means as provided in Section 1191.16,
15 and to have the court consider his or her statements, as provided
16 by Sections 1191.1 and 1191.15.

17 (4) For the victim, the victim's parents or guardian if the victim
18 is a minor, or the next of kin of the victim if the victim has died,
19 to be notified of all juvenile disposition hearings in which the
20 alleged act would have been a felony if committed by an adult,
21 and of the right to attend and to express his or her views, as
22 provided by Section 656.2 of the Welfare and Institutions Code.

23 (5) Upon request by the victim or the next of kin of the victim
24 if the victim has died, to be notified of any parole eligibility hearing
25 and of the right to appear, either personally as provided by Section
26 3043 of this code, or by other means as provided by Sections
27 3043.2 and 3043.25 of this code, to reasonably express his or her
28 views, and to have his or her statements considered, as provided
29 by Section 3043 of this code and by Section 1767 of the Welfare
30 and Institutions Code.

31 (6) Upon request by the victim or the next of kin of the victim
32 if the crime was a homicide, to be notified of an inmate's placement
33 in a reentry or work furlough program, or notified of the inmate's
34 escape as provided by Section 11155.

35 (7) To be notified that he or she may be entitled to witness fees
36 and mileage, as provided by Section 1329.1.

37 (8) For the victim, to be provided with information concerning
38 the victim's right to civil recovery and the opportunity to be
39 compensated from the Restitution Fund pursuant to Chapter 5

(commencing with Section 13959) of Part 4 of Division 3 of Title 2 of the Government Code and Section 1191.2 of this code.

(9) To the expeditious return of his or her property which has allegedly been stolen or embezzled, when it is no longer needed as evidence, as provided by Chapter 12 (commencing with Section 1407) and Chapter 13 (commencing with Section 1417) of Title 10 of Part 2.

(10) To an expeditious disposition of the criminal action.

(11) To be notified, if applicable, in accordance with Sections 679.03 and 3058.8 if the defendant is to be placed on parole.

~~(12) To~~ *For the victim, upon request, to be notified by the district attorney's office where the case involves a violent felony, as defined in subdivision (c) of Section 667.5, or in the event of a homicide, the victim's next of kin, of a pending of any pretrial disposition before a change of plea is entered before a judge of the case, to the extent required by Section 28 of Article I of the California Constitution.*

~~(A) A victim of any felony may request to be notified, by the district attorney's office, of a pretrial disposition.~~

~~(B) If it is not possible to notify the victim of the pretrial disposition before the change of plea is entered, the district attorney's office or the county probation department shall notify the victim as soon as possible.~~

~~(C)~~

~~(B)~~ The victim may be notified by any reasonable means available.

Nothing in this paragraph is intended to affect the right of the people and the defendant to an expeditious disposition as provided in Section 1050.

(13) For the victim, to be notified by the district attorney's office of the right to request, upon a form provided by the district attorney's office, and receive a notice pursuant to paragraph (14), if the defendant is convicted of any of the following offenses:

(A) Assault with intent to commit rape, sodomy, oral copulation, or any violation of Section 264.1, 288, or 289, in violation of Section 220.

(B) A violation of Section 207 or 209 committed with the intent to commit a violation of Section 261, 262, 286, 288, 288a, or 289.

(C) Rape, in violation of Section 261.

(D) Oral copulation, in violation of Section 288a.

1 (E) Sodomy, in violation of Section 286.

2 (F) A violation of Section 288.

3 (G) A violation of Section 289.

4 (14) When a victim has requested notification pursuant to
5 paragraph (13), the sheriff shall inform the victim that the person
6 who was convicted of the offense has been ordered to be placed
7 on probation, and give the victim notice of the proposed date upon
8 which the person will be released from the custody of the sheriff.

9 (b) The rights set forth in subdivision (a) shall be set forth in
10 the information and educational materials prepared pursuant to
11 Section 13897.1. The information and educational materials shall
12 be distributed to local law enforcement agencies and local victims'
13 programs by the Victims' Legal Resource Center established
14 pursuant to Chapter 11 (commencing with Section 13897) of Title
15 6 of Part 4.

16 (c) Local law enforcement agencies shall make available copies
17 of the materials described in subdivision (b) to victims and
18 witnesses.

19 (d) Nothing in this section is intended to affect the rights and
20 services provided to victims and witnesses by the local assistance
21 centers for victims and witnesses.

22 *SEC. 29. Section 42102.5 is added to the Public Resources*
23 *Code, to read:*

24 *42102.5. (a) All unencumbered moneys, as of the effective*
25 *date of the act that adds this section, in the Chrome Plating*
26 *Pollution Prevention Fund are hereby transferred to the General*
27 *Fund.*

28 *(b) All moneys transferred to the Chrome Plating Pollution*
29 *Prevention Fund pursuant to subdivision (b) of Section 42102.7*
30 *shall be transferred to the General Fund.*

31 *(c) The Secretary of Business, Transportation and Housing shall*
32 *deposit into the General Fund all subsequent loan repayments*
33 *made pursuant to this chapter.*

34 *(d) This section does not terminate any of the following rights,*
35 *obligations, or authorities, or any provision necessary to carry*
36 *out those rights, obligations, or authorities:*

37 *(1) The repayment of loans due and payable to the Business,*
38 *Transportation and Housing Agency or the relevant financial*
39 *company.*

1 (2) *The obligation of the state to pay claims arising from the*
2 *default of outstanding loans that have been guaranteed.*

3 (3) *Payment to lenders for default of any outstanding guaranteed*
4 *loans secured by those moneys.*

5 (4) *The resolution of any cost recovery action.*

6 SEC. 30. *Section 7204.3 of the Revenue and Taxation Code is*
7 *amended to read:*

8 7204.3. The board shall charge a city, city and county,
9 redevelopment agency, or county an amount for the board's
10 services in administering the sales and use tax ordinance of the
11 local entity, as determined by the board with the concurrence of
12 the Department of Finance, as follows:

13 (a) Beginning with the 2006–07 fiscal year, the amount charged
14 each local entity shall be based on the methodology described in
15 Alternative 4C of the November 2004 report by the State Board
16 of Equalization entitled “Response to the Supplemental Report of
17 the 2004 Budget Act.”

18 (1) The amount charged may be adjusted in the current fiscal
19 year to reflect the difference between the board's budgeted costs
20 and any significant revised estimate of costs. Any adjustment shall
21 be subject to budgetary controls included in the Budget Act. Prior
22 to any adjustment, the Department of Finance shall notify the
23 Chairperson of the Joint Legislative Budget Committee not later
24 than 30 days prior to the effective date of the adjustment.

25 (2) The amount charged each local entity shall be adjusted to
26 reflect the difference between the board's recovered costs and the
27 actual costs incurred by the board during the fiscal year two years
28 prior.

29 (b) The amounts determined by subdivision (a) shall be deducted
30 in equal amounts from the quarterly allocation of taxes collected
31 by the board for the city, city and county, redevelopment agency,
32 or county.

33 (c) *Notwithstanding any other provision of this section, for the*
34 *2008–09 fiscal year to the 2014–15 fiscal year, inclusive, the*
35 *amounts determined by subdivision (a) shall not include any*
36 *revenues collected pursuant to Sections 6051.7 and 6201.7.*

37 SEC. 31. *Section 7273 of the Revenue and Taxation Code is*
38 *amended to read:*

39 7273. In addition to the amounts otherwise provided for
40 preparatory costs, the board shall charge each district an amount

1 for the board's services in administering the transactions and use
2 tax determined by the board, with the concurrence of the
3 Department of Finance, as follows:

4 (a) Beginning with the 2006–07 fiscal year, the amount charged
5 all districts shall be based on the methodology described in
6 Alternative 4C of the November 2004 report by the State Board
7 of Equalization entitled “Response to the Supplemental Report of
8 the 2004 Budget Act.” The amount charged each district shall be
9 based upon the district's proportional share of the revenue after
10 weighting the revenue to equalize the differences in district tax
11 rates.

12 (1) The amount charged each district may be adjusted in the
13 current fiscal year to reflect the difference between the board's
14 budgeted costs and any significant revised estimate of costs. Any
15 adjustment shall be subject to budgetary controls included in the
16 Budget Act. Prior to any adjustment, the Department of Finance
17 shall notify the Chairperson of the Joint Legislative Budget
18 Committee not later than 30 days prior to the effective date of the
19 adjustment.

20 (2) The amount charged each district shall be adjusted to reflect
21 the difference between the board's recovered costs and the actual
22 costs incurred by the board during the fiscal year two years prior.

23 (b) The board shall, by June 1 of each year, notify districts of
24 the amount that it anticipates will be assessed for the next fiscal
25 year. The districts shall be notified of the actual amounts that will
26 be assessed within 30 days after enactment of the Budget Act for
27 that fiscal year.

28 (c) The amount charged a district that becomes operative during
29 the fiscal year shall be estimated for that fiscal year based on
30 weighted revenue.

31 (d) The amounts determined by subdivision (a) shall be deducted
32 in equal amounts from the quarterly allocation of taxes collected
33 by the board for a given district.

34 (e) *Notwithstanding any other provision of this section, for the*
35 *2008–09 fiscal year to the 2014–15 fiscal year, inclusive, the*
36 *amounts determined by subdivision (a) shall not include any*
37 *revenues collected pursuant to Sections 6051.7 and 6201.7.*

38 *SEC. 32. Section 10214.6 is added to the Unemployment*
39 *Insurance Code, to read:*

10214.6. (a) The panel shall establish the Partnership for Workforce Recovery Training (PWRT) for the purposes of supporting and implementing the workforce development goals set forth in the federal American Recovery and Reinvestment Act of 2009 (ARRA) (Public Law 111-5). The panel shall develop and publish guidelines for implementing of the PWRT, consistent with, and including adequate fiscal and accounting controls, as prescribed in subdivision (g) of Section 10205.

(b) The panel may allocate any funds it receives pursuant to the federal Workforce Investment Act of 1998 (29 U.S.C. Sec. 2801 et seq.) and the ARRA to support the activities of the PWRT. Any funds received by the panel pursuant to this section shall be deposited into a separate account established by the department in the State Treasury, and used for the purposes of this section.

(c) The panel may adopt any regulations necessary to implement this section, but any regulations so adopted are exempt from the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(d) The panel may solicit proposals and enter into contracts or other agreements to secure funding for the purposes of this section, but those proposals, contracts, and agreements shall be exempt from any competitive bidding requirements otherwise prescribed in statute.

SEC. 33. Section 14022 is added to the Unemployment Insurance Code, to read:

14022. (a) The California Workforce Investment Board, in coordination with the department, shall participate in the development of Request for Proposal (RFP) language and the evaluation of proposals for determining grant allocations of the funds, as identified in Item 7100-001-0869, Schedule (4) 61.60 - WIA Removing Barriers for Special Needs Populations for Green Technology/Green Collar Jobs, and Schedule (2) 61.40 - WIA Growth Industries for Green Technology/Green Collar Jobs, of Section 2.00 of the Budget Act of 2009 (Chapter 1 of the Statutes of the 2009 Third Extraordinary Session), and future budget acts, to ensure consistency with the green collar strategic initiative required to be developed by the Green Collar Jobs Council pursuant to Section 15002.

(b) The board shall also annually prepare and submit to the Legislature a report containing all of the following information:

1 (1) A list of any funds allocated, or not allocated for the
2 purposes of subdivision (a), including a statement of the reasons
3 for any such action.

4 (2) The name of each grant recipient, and the amount allocated
5 to the recipient.

6 SEC. 34. Notwithstanding subdivision (d) of Section 4106 of
7 the Food and Agricultural Code, up to two million eight hundred
8 thousand dollars (\$2,800,000) may be transferred from the
9 Exposition Park Improvement Fund to the General Fund for the
10 2009–10 budget year.

11 SEC. 35. (a) Before executing a contract for the prime vendor
12 to implement Section 15849.22 of the Government Code by
13 developing the Financial Information System of California
14 (FISCAL), the Department of Finance shall submit a written report
15 to the Legislature that includes all of the following:

16 (1) Summarizes the two vendor assessments of the state's current
17 financial system and future automation goals, as presented in the
18 request for proposals.

19 (2) Provides details about the two proposals for the development
20 of FISCAL, including, but not limited to, vendor costs and
21 timeframes.

22 (3) Provides details about how the proposed solution will
23 develop a robust and flexible financial management system with
24 the technical capability to implement performance-based
25 budgeting, or any other budgeting approach the Legislature
26 chooses to adopt.

27 (4) Explains the FISCAL project's rationale for selecting the
28 winning vendor.

29 (b) The report required by this section shall be submitted to the
30 Legislature for review no less than 30 days prior to execution of
31 the contract.

32 SEC. 36. (a) The Legislature finds and declares that, by
33 approving Proposition 83 at the November 7, 2006, General
34 Election, the voters, among other things, amended the sexually
35 violent predator law (Article 4 (commencing with Section 6600)
36 of Part 2 of Division 6 of the Welfare and Institutions Code) to
37 strengthen and improve the laws that punish and control sexual
38 predators.

39 (b) The Director of Finance shall identify those local costs
40 associated with the implementation of Article 4 (commencing with

1 Section 6600) of Part 2 of Division 6 of the Welfare and Institutions
2 Code that are necessary to implement, or are expressly included
3 within, Proposition 83 for the purposes of subdivision (f) of Section
4 17556 of the Government Code, and shall propose an amendment
5 to the sexually violent predator law mandate parameters and
6 guidelines to the Commission on State Mandates.

7 SEC. 37. The Legislature finds and declares that Section 28
8 of Article I of the California Constitution imposes certain
9 notification requirements on prosecutors. It is the intent of the
10 Legislature that the changes made by Section 25 of this act conform
11 the statutory notification requirements in paragraph (12) of
12 subdivision (a) of Section 679.02 of the Penal Code to those in
13 Section 28 of Article I of the California Constitution, as established
14 by the Victims' Bill of Rights Act of 2008: Marsy's Law, and that
15 any additional duties previously imposed on local governments
16 by that paragraph shall no longer be mandated.

17 SEC. 38. The Legislature finds and declares that the suspension
18 in the Budget Act of the mandate provided in Chapter 752 of the
19 Statutes of 1998 does not affect the duties provided in the laws
20 that were impacted by those mandates, and that, therefore, the
21 requirements that dogs and cats be held for a minimum of 72 hours
22 remain in effect.

23 SEC. 39. No reimbursement is required by this act pursuant
24 to Section 6 of Article XIII B of the California Constitution because
25 the only costs that may be incurred by a local agency or school
26 district will be incurred because this act creates a new crime or
27 infraction, eliminates a crime or infraction, or changes the penalty
28 for a crime or infraction, within the meaning of Section 17556 of
29 the Government Code, or changes the definition of a crime within
30 the meaning of Section 6 of Article XIII B of the California
31 Constitution.

32 SEC. 40. This act addresses the fiscal emergency declared by
33 the Governor by proclamation on July 1, 2009, pursuant to
34 subdivision (f) of Section 10 of Article IV of the California
35 Constitution.

36 SEC. 41. This act is an urgency statute necessary for the
37 immediate preservation of the public peace, health, or safety within
38 the meaning of Article IV of the Constitution and shall go into
39 immediate effect. The facts constituting the necessity are:

1 *In order to address the fiscal challenges to state government in*
2 *the 2009–10 fiscal year, it is necessary that this act take effect*
3 *immediately.*

4 ~~SECTION 1. It is the intent of the Legislature to enact statutory~~
5 ~~changes relating to the Budget Act of 2009.~~

6 ~~SEC. 2. This act addresses the fiscal emergency declared by~~
7 ~~the Governor by proclamation on July 1, 2009, pursuant to~~
8 ~~subdivision (f) of Section 10 of Article IV of the California~~
9 ~~Constitution.~~

O